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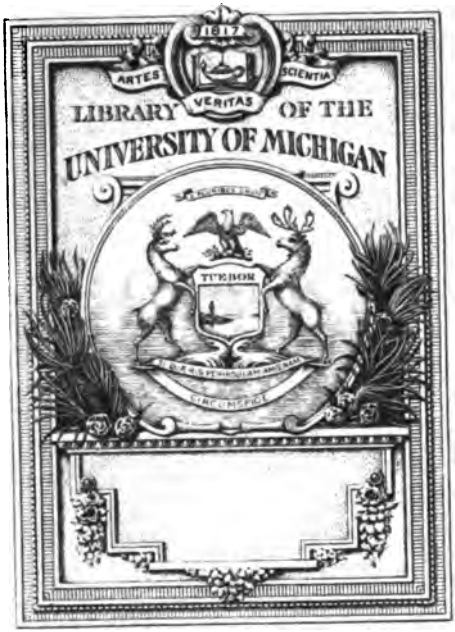
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JOURNAL

73736

OF THE

HOUSE OF REPRESENTATIVES

OF THE

STATE OF MICHIGAN

EXTRA SESSION, 1898

Printed by virtue of an act of the Legislature, under the direction and supervision of

LEWIS M. MILLER

Clerk of the House of Representatives



BY AUTHORITY

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HOUSE OF REPRESENTATIVES.

Lansing, Tuesday, March 22, 1898.

Pursuant to a proclamation of His Excellency, Hon. Hazen S. Pingree, Governor of the State of Michigan, the members of the House of Representatives assembled in their Hall in the capitol in the city of Lansing.

The Speaker, Hon. William D. Gordon, called the House to order at 12 o'clock noon.

Prayer by the Rev. Mr. Thompson.

The roll of the House was called by the Clerk and the following members answered to their names: Messrs. Adams, Allison, Alward, Anderson, Atkinson, Babcock, C. G., Babcock, H., Bates, Belknap, Bemis, Billings, Bricker, Bryan, Buskirk, Cahoon, Caldwell, Camburn, Campbell, Chamberlain, Clark, Clute, Coad, Colvin, Connors, Cousins, Crippen, Davis, Dickinson, J. H., Dickinson, L. D., Donovan, Dudley, Eikhoff, Fleischhauer, Foote, Foster, Fuller, Gibson, Gillam, Goodell, Goodyear, Graham, Green, Gustin, Hammond, Harris, Herrig, Hofmeister, Jackson, January, Kelly, Kerr, Kimmis, Lusk, Madill, Marsilje, Mayer, McGill, Miller, Molster, Moore, E. W., Moore, M. G., Niedermeier, O'Dett, Otis, Pearson, Perry, Peters, Petrowsky, Phillips, C. C., Phillips, M. F., Powers, Putney, Reed, Rulison, Savage, Sawyer, Scully, Shepard, F. M., Shepherd, F., Shisler, Smith, Stewart, Stoneman, Van Camp, Washer, Weier, Wetherbee, Whitney, Widoe, Wing, Zimmerman.

The following members were found absent: Messrs. Edgar, Lee, Oberdorffer, Peek, Rowley, Teft, Vought, Williams.

The Speaker directed the Clerk to read the proclamation of the Governor convening the Legislature in extra session, which was as follows:

PROCLAMATION.

To all whom it may concern, greeting:

By Sec. 6 of Art. 5 of the constitution of the State of Michigan it is provided that the Governor shall take care that the laws be faithfully executed.

By Sec. 7 of the same article he is given the power to convene the Legislature on extraordinary occasions.

By Sec. 11 of Art. 14 it is made the duty of the Legislature to provide an uniform rule of taxation.

By Sec. 12 of the same article "all assessments hereafter authorized shall be on property at its cash value."

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These provisions have been a part of the fundamental law of the State since 1850.

In violation of the spirit, if not the letter, of these provisions of the constitution, laws have been passed from time to time by which railroad companies, express companies, telegraph and telephone companies now owning, according to their sworn returns, at least one-third of the property of this State, are required to pay only about one-twenty-sixth of the taxes levied for State, county and municipal purposes, leaving their just proportion of supporting our schools, asylums and other public institutions, and defraying the public expenses, to fall upon the farmers, laborers, manufacturers and other property owners of the State.

Taxation has, in many parts of the State, become in the nature of confiscation, the amount levied being greater than the property taxed can be made to produce.

I regard the situation as extraordinary and one that demands an immediate remedy which can only be given by the Legislature.

It is the duty of the Governor, under his oath of office, to see that the constitution of the State is obeyed and the laws faithfully executed, and to submit to the Legislature, from time to time, his views upon existing mischiefs so that a remedy can be provided.

In obedience to this duty I hereby call the Legislature of the State to meet in extraordinary session, on Tuesday, the twenty-second day of March, 1898, at noon of that day, to consider the question of the taxation of railroad companies, express companies, telegraph and telephone companies, and such other matters as shall be submitted by special message.

Given under my hand and the great seal of the State of Michigan, at the capitol, in Lansing, this eighth day of March, in the year of our Lord one thousand eight hundred and ninety-eight and of the independence of the United States the one hundred and twenty-second.

[GREAT SEAL] H. S. Pingree.

By the Governor:

Washington Gardner,
Secretary of State.

By Samuel A. Kennedy,
Deputy Secretary of State.

STATE OF MICHIGAN,
OFFICE OF THE SECRETARY OF STATE, } ss.

I, Samuel A. Kennedy, Deputy Secretary of State of the State of Michigan, do hereby certify, that I have compared the annexed copy of a proclamation issued by the Governor, convening extra session of the Legislature with the original now on file in this office and that it is a true and correct transcript therefrom, and of the whole of such original.

In testimony whereof, I have hereunto set my hand and affixed the great seal of the State of Michigan, at Lansing, this eighth day of March, in the year of our Lord one thousand eight hundred and ninety-eight.

[GREAT SEAL] Samuel A. Kennedy,
Deputy Secretary of State.

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The Speaker then addressed the House as follows:

My dear friends and colleagues:

I kindly greet you one and all, not with words only, but with hand and heart.

The unexpected has happened. When I laid the gavel down at the close of last session little did I think I would ever have the pleasure of serving you again in this capacity. At the close of the last session I parted from you with regret, and I greet you at this time with delight. But as I stand here and look into your kind and pleasant faces I am reminded that almost every happiness has its alloy of sorrow.

Our joy is marred by the fact that there are two vacant seats upon the floor, "the gentleman from Lapeer, Mr. Lee," and "the gentleman from Macomb, Mr. Rowley," two of our beloved colleagues, are gone.

Since we adjourned the Angel of Death has called the roll and two members of this House of Representatives have responded, they have been carried by the angels to that bright and beautiful land that is afar off, they have been exalted from this House to that grand and glorious House "not made with hands, eternal in the heavens," where they will sit in the presence of the Grand Presiding Officer of the Universe through all the years to come.

"The glories of our mortal state
Are shadows, not substantial things,
There is no armor against fate,
Death lays his icy hands on kings;"

They are not with us, they have gone into that mysterious realm from which no traveler returns, but they are not forgotten. Their seats are empty, their voices are hushed and still forever, their names are dropped from our roll, they are dead, but they will live in the hearts of those who knew them best, for "they are they" who loved them most, and I desire to be included among that number. They have escaped from the strife and contention of this world, and they have entered upon a higher and a better life. They were true, honest and useful Legislators, loyal and patriotic American citizens. The State has lost two good citizens, two districts have lost faithful and earnest Representatives.

"There is no death! The stars go down
To rise upon some fairer shore,
And bright in Heaven's jeweled crown
They shine forevermore."

Another form and face will be missed by us. Our active and efficient Sergeant-at-Arms is not at his post; he, too, has gone to his long home. Sergeant-at-Arms Gibson was one of the most faithful officers this House ever had in that position. He did everything with military discipline and promptness. He wore upon his breast that badge of American nobility, the button of the Grand Army of the Republic. He fought the good fight for liberty and union, for humanity and a united country; a country so unified and universally patriotic today that if but the drum beat of a foreign foe be heard upon our coasts or borders announcing the approach of a foreign foe, or a single gun be fired upon our flag by Spain or any foreign power, ten millions of brave men, thousands of whom wore the blue, and thousands of whom wore the gray, will spring

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to arms, coming from the North, South, East and West, the grandest army the world has ever known, and animated by a deathless loyalty to our flag and country will march forward to certain victory, keeping time to the mingled and inspiring strains of "Yankee Doodle" and "Dixie." They will guard our coasts, man our ships and prove invincible on land or sea. R. H. Gibson was honored, while here, for his patriotic service and he will receive his reward in the heavenly land—

"Columbia ere shall know them
And from her glittering towers
Kisses of love she'll throw them
And send them wreaths of flowers,
And ever in the realms of glory
Shall shine their starry claims
For angels have heard their story
And God knows all their names."

These thoughts, these memories, come to us all; let us meditate upon the lessons they teach. There is a mysterious something in these contemplations which seem too sacred and sanctified for speech; we are lifted up above the trials of earth and we feel the electric touch of something divine and heavenly. But one of our great poets has said:

"Let the dead Past bury its dead!
Act, act in the living Present!
Heart within the God o'erhead.

Let us, then, be about the people's business. Some of the people opposed this extraordinary session for the reason that they did not desire to bear the expense of the session. Let us endeavor to reduce the expense to a minimum, to the very lowest possible figure; we can do this only by faithful and energetic service; we must waste no time, we must not be prodigal with the people's money. The measures likely to come before us for consideration will probably be important and perhaps complex. It will take time, I fully realize, to examine, to investigate and obtain facts and figures upon which to base our judgments. Let there be no hasty and important action relative to affairs of such moment.

Let us consider everything that is laid before us pertaining to proposed legislation, investigate for ourselves, listen to debate, and then as members of this independent branch of our State government be frank and brave enough to express our honest conclusions by word and vote. Acting with the intention of doing equal and exact justice to all, let us manfully and courageously do the right as the All Wise One gives us to see the right. There will be no committee work for many members; let those who are not upon committees spend their time in informing themselves and helping the work along, and then business can be expedited in an intelligent, wise and safe manner.

Let each and every one of us be on duty from roll call until recess or adjournment, and give our undivided time and attention to the business of the people.

So long as I occupy this position, I will endeavor to do the business of this House rapidly, fairly and economically.

What is the pleasure of the House?

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Mr. Foote offered the following:

Whereas, By visitation of Divine Providence the late Sergeant-at-Arms of this House has been called to his final rest and thereby the position of Sergeant-at-Arms left vacant; therefore,

Resolved, That William E. Stocking be and is hereby elected Sergeant-at-Arms;

The question being on the adoption of the resolution,

The resolution was adopted, by yeas and nays, as follows:

YEAS.

Mr. Adams	Mr. Eikhoff	Mr. O'Dett
Allison	Fleischhauer	Otis
Alward	Foote	Pearson
Anderson	Foster	Perry
Atkinson	Fuller	Peters
Babcock, C. G.	Gibson	Petrowsky
Babcock, H.	Gillam	Phillips, C. C.
Bates	Goodell	Phillips, M. F.
Belknap	Goodyear	Powers
Bemis	Graham	Putney
Billings	Green	Reed
Bricker	Gustin	Rulison
Bryan	Hammond	Savage
Buskirk	Harris	Sawyer
Cahoon	Herrig	Scully
Caldwell	Hofmeister	Shepard, F. M.
Camburn	Jackson	Shepherd, F.
Campbell	January	Shisler
Chamberlain	Kelly	Smith
Clark	Kerr	Stewart
Clute	Kimmis	Stoneman
Coad	Lusk	Van Camp
Colvin	Madill	Washer
Connors	Marsilje	Weier
Cousins	Mayer	Wetherbee
Crippen	McGill	Whitney
Davis	Miller	Widoe
Dickinson, J. H.	Molster	Wing
Dickinson, L. D.	Moore, E. W.	Zimmerman
Donovan	Moore, M. G.	Speaker
Dudley	Niedermeier	92

NAYS. 0

The Speaker declared William E. Stocking duly elected to the office of Sergeant-at-Arms of the House.

The Sergeant-at-Arms announced a committee from the Senate who announced that that body was ready for business, and retired.

Mr. Adams offered the following:

Resolved, That a committee of three be appointed by the Speaker to wait upon the Senate and to inform that body that a quorum of the House is present and is ready to proceed to business;

Which was adopted.

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The Speaker announced as such committee, Messrs. Adams, Hammond and Donovan.

After a short absence the committee returned and reported that they had performed the duty assigned them and were discharged.

Mr. Atkinson offered the following:

Resolved, That a committee of three be appointed to act with a like committee from the Senate to wait upon his Excellency, the Governor, and to inform him that a quorum of each house is present and ready to receive any communication which he may be ready to make;

Which was adopted.

The Speaker announced as such committee, Messrs. Atkinson, Crippen and Bricker.

After a short absence the committee returned and reported that they had performed the duty assigned them, and that the Governor would be pleased to meet the two houses in joint convention at 2:30 o'clock this p. m.; and were discharged.

The Speaker announced the following:

DEPARTMENT OF STATE,
Lansing, Mich., March 22, 1898.

Hon. W. D. Gordon, Speaker of the House of Representatives.

Dear Sir—I have the honor to notify you that I have this day received from Hon. W. R. Edgar a letter, of which the annexed is a true copy and the same is now on file in this office.

Respectfully yours,
Samuel A. Kennedy,
Deputy Secretary of State.

(Copy.)

Lyons, O., March 18, 1898.

Hon. Washington Gardner, Secretary of State, Lansing, Mich.

Dear Sir—I have this day received your letter notifying me of the call for an extra session. And now inform you that I am no longer a resident of the State of Michigan, but am a "Buckeye" full fledged.

I am somewhat sorry that I am not able to be with the body in this special call. As it is I am out of politics and attending strictly to business and find financially it pays better. I may run over when things warm up.

I remain, very truly yours,
W. R. Edgar, M. D.,
Lyons, Fulton Co., Ohio.

The Speaker also announced the following telegram:

Stephenson, Mich., March 21, 1898.

Hon. William D. Gordon:

Cannot reach Lansing until Thursday; death in family.

Wm. J. Oberdorffer.

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The Speaker also announced the following:

Lansing, March 22, 1898.

To the Speaker of the House of Representatives, Lansing, Mich.:

Sir—I herewith resign my clerkship of committees on Railroads, Fisheries and Game, Horticulture and State Capitol and Public Buildings.

Corydon Beach.

The Speaker also announced the following:

SENATE CHAMBER,
Lansing, March 22, 1898.

To the Speaker of the House of Representatives:

Sir—I am instructed by the Senate to transmit to the House the following concurrent resolution:

Resolved (the House concurring), That the two houses meet in joint convention at 2:30 o'clock p. m. today for the purpose of receiving any communication the Governor may be pleased to make;

Which has been adopted by the Senate, and in which the concurrence of the House is respectfully asked.

Very respectfully,
Charles S. Pierce,
Secretary of the Senate.

The question being on concurring in the adoption of the resolution,

The resolution was adopted.

Mr. Miller offered the following:

Resolved, That a committee of three be appointed to fix a time and to arrange suitable memorial services in honor of our deceased brothers, Henry Lee and William A. Rowley, and our late Sergeant-at-Arms, Richard H. Gibson;

Which was adopted by an unanimous rising vote.

The Sergeant-at-Arms announced the committee appointed by the House to inform the Senate that the House was ready for business, who reported that they had performed the duty assigned them and were discharged.

The committee appointed to act with a like committee from the Senate to inform His Excellency, the Governor, that the two houses are ready for business and prepared to receive any communication he may be pleased to make, returned and reported that the Governor would be pleased to present his message to the two houses of the Legislature sitting in joint convention, at 2:30 o'clock this afternoon.

On motion of Mr. Kimmis,

The House took a recess until 2:15 o'clock p. m.

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AFTERNOON SESSION.

2:15 o'clock p. m.

The House met and was called to order by the Speaker.

Roll called: quorum present.

Mr. McGill moved that a committee of three be appointed to wait upon the Senate and inform that body that the House is ready to receive them in joint convention;

Which motion prevailed.

The Speaker announced as such committee, Messrs. McGill, January and Scully.

After a short absence the committee returned and reported that they had performed the duty assigned them, and were discharged.

The Sergeant-at-Arms announced the Honorable the Senate, who were conducted to seats.

PROCEEDINGS IN JOINT CONVENTION.

The joint convention was called to order by the Lieutenant Governor and President of the Senate—Thomas B. Dunstan, President of the joint convention.

The roll of the Senate was called by the Secretary of the Senate and a quorum of the Senators was present.

The roll of the House was called by the Clerk of the House and a quorum of the members was present.

The Lieutenant Governor and President of the joint convention announced that the joint convention had met to receive such communication as His Excellency the Governor might be pleased to make.

Senator Barnum moved that a committee of two members from the Senate and three from the House be appointed to wait on the Governor and inform His Excellency that the two houses are met in joint convention and are ready to receive any communication he may desire to make;

Which motion prevailed.

The President announced as such committee Senators Barnum and Hadsall and Representatives Smith, J. H. Dickinson and Weier.

After a short absence the committee returned and reported that they had performed the duty assigned them and were discharged.

Mr. Chamberlain moved that a committee of three members of the Senate and three from the House be appointed to escort His Excellency the Governor, the State officers and the Justices of the Supreme Court to the joint convention;

Which motion prevailed.

The President announced as such committee, Senators Westcott, Merriman and Robinson, and Representatives Chamberlain, Wetherbee and Powers,

After a short absence the committee returned and reported the Governor, the State officers and the Justices of the Supreme Court in attendance, and they were conducted to seats.

The President of the joint convention announced His Excellency the Governor, who addressed the House as follows:

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To the Senate and House of Representatives:

You have been called together under the following proclamation:

"By Section 6 of Article V of the Constitution of the State, it is provided that the Governor shall take care that the laws be faithfully executed.

"By Section 7 of the same article he is given the power to convene the Legislature on extraordinary occasions.

"By Section 11 of Article XIV it is made the duty of the Legislature to provide a uniform rule of taxation.

"By Section 12 of the same article 'All assessments hereafter authorized shall be on property at its cash value.' These provisions have been a part of the fundamental law of the State since 1850.

"In violation of the spirit, if not the letter of these provisions of the Constitution, laws have been passed from time to time by which railroad companies, express companies, telegraph and telephone companies now owning, according to their sworn returns, at least one-third of the property of this State, are required to pay only about one-twenty-sixth of the taxes levied for State, county and municipal purposes, leaving their just proportion of the cost of supporting our schools, asylums and other public institutions, and of defraying the public expenses, to fall upon the farmers, laborers, manufacturers, and other property owners of the State.

"Taxation has in many parts of the State become in the nature of confiscation, the amount levied being greater than the property taxed can be made to produce.

"I regard the situation as extraordinary, and one that demands an immediate remedy which can only be given by the Legislature.

"It is the duty of the Governor, under his oath of office, to see that the Constitution of the State is obeyed and the laws faithfully executed, and to submit to the Legislature from time to time his views upon existing mischiefs, so that a remedy can be provided.

"In obedience to this duty, I hereby call the Legislature of the State to meet in extraordinary session on Tuesday, the 22d day of March, 1898, at noon of that day, to consider the question of the taxation of railroad companies, express companies, telegraph and telephone companies, and such other matters as shall be submitted by special message."

I have cited this proclamation in full because, by Section 15 of Article IV of the Constitution, it is provided, as to the Legislature, that "when convened in extra session * * * they shall legislate on no other subjects than those expressly stated in the Governor's proclamation, or submitted to them by special message."

The proclamation explains itself. You are called upon to consider the question of taxing railroad companies, express companies, telephone companies and telegraph companies, and for no other purpose.

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I deem the occasion an extraordinary one. The inequality of our system of taxation is so great that it should not be permitted to continue for another year. I have therefore called you together in extraordinary session to consider it and to provide proper remedies.

I regret the inconvenience and expense of such a session. I have called it because I deemed it the most practical way of obtaining reforms to which the people of the State are entitled.

The multitude of bills introduced at a general session of the Legislature, and the pressure upon the time of the members, make it almost impossible to give subjects of a general nature the careful attention which they deserve. Every member is more or less interested in bills affecting his own locality. This was made evident at your last session, when it was found that only a few hours could be devoted to the important subject of railroad legislation. When convened in extra session the Legislature is enabled to give the subjects submitted careful and deliberate consideration which cannot be expected at a general session.

No one can read the Constitution of Michigan without coming to the conclusion that its framers intended that all taxes to be levied should be based upon the cash value of property. While it permits the Legislature to provide for the collection of specific taxes under the laws as they then existed, and even to collect specific taxes from corporations thereafter to be organized, it expressly requires that all assessments thereafter authorized should be upon property at its value. This provision of the Constitution applies as well to specific as to general taxes. Its continued violation since 1871 has led to many evils.

At the time the Constitution was adopted, specific taxes, except upon values, were unknown to the legislation of the State.

The Nature of Taxation.

Taxes are defined to be burdens or charges imposed by the legislative power upon persons or property to raise money for public purposes. The power to tax rests upon necessity and is inherent in every sovereignty. No constitutional government can exist without it, and no arbitrary government, without regular and steady taxation, could be anything but an oppressive and vexatious despotism, since the only alternative of taxation would be forced extortion for the needs of government from such persons or objects as the men in power might select as victims.

Cooley on Constitutional Limitations, page 479.

In the language of Chief Justice Marshall:

"The only security against the abuse of this power is found in the structure of the government itself. In imposing a tax the Legislature acts upon its constituents. This

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is in general a sufficient security against erroneous and oppressive taxation. The people of the State, therefore, give to their government a right of taxing themselves and their property; and as the exigencies of the government cannot be limited they prescribe no limits to the exercise of this right, resting confidently on the interest of the legislator and on the influence of the constituents over their representative to guard them against its abuse.

"The power of legislation and consequently of taxation operates on all persons and property belonging to the body politic. This is an original principle which has its foundation in society itself. It is granted by all for the benefit of all. It resides in the government as a part of itself and need not be reserved where property of any description, or the right to use it in any manner, is granted to individuals or corporate bodies. However absolute the right of an individual may be, it is still in the nature of that right that it must bear a portion of the public burden and that portion must be determined by the Legislature. This vital power may be abused; but the interest, wisdom and justice of the representative body, and its relations with its constituents, furnish the only security where there is no express contract against unjust and excessive taxation, as well as against unwise legislation."

The first essential of just taxation is that it shall be equal. To exempt one person from taxation is to rob another. To provide a low rate for one and a high rate for another is despotic.

In my message of January 6, 1897, I called your attention to this subject and suggested that a board should be appointed which should determine the exact value of all corporate property not now taxed locally, and levy taxes thereon in the same proportion as private property now bears.

In my message of May 6, 1897, I again called your attention to the subject and expressed the hope that you might devise some means of equalizing, in a measure at least, the burdens of taxation.

At your last session an act was passed increasing to some extent the taxes now levied upon the earnings of railroad companies. It was asserted that this act would bring into the treasury between two and three hundred thousand dollars. No taxes have yet been collected under it, but from the most reliable estimates that can now be made it will only yield about one hundred thousand dollars.

The Michigan Central and Lake Shore & Michigan Southern companies, the two most wealthy and powerful companies of the State, claim that the bill does not apply to them. They assert that because it was passed as an amendment to the general railroad law they are protected from it by their special charters.

It is more than likely that the act will lead to serious and prolonged litigation. If the contention of the companies should be sustained the result will be that as between the

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railroads themselves the additional taxes imposed by the act of the last session will fall upon the companies least able to bear it.

The system of taxing earnings is wrong in principle and unsatisfactory in results. The Railroad Commissioner is required to file with the Auditor General a computation of the amount of tax which will become due from each of the railroad companies, which computation is to be based upon the report of the railroad company for the preceding year. This places the State absolutely at the mercy of the railroad company. It is compelled to take such reports as are made to it. The privilege of examining the books of the company is a useless one. The work would be almost endless, and even if well done, uncertain in its results.

"Where the railroads lie partly within and partly without this State prima facie the gross income of the company, for the purpose of taxation, are the actual earnings of the road in Michigan."

Railroad Laws, Section 106.

This can be only ascertained from the company itself. It may credit such portion of its earnings as it sees fit to its Michigan business. The State is compelled to trust entirely to the method of division adopted by the company.

I do not wish to charge fraud upon any of the companies doing business in this State. What I insist upon is that the State should never be at the mercy of any taxpayer, and that a system so open to frauds should never have been adopted, and having been adopted should be abandoned at the earliest possible moment for one under which the ostensible property of the company can be fairly and honestly taxed.

Railroad Companies.

Railroad companies in this State are not bearing their just proportion of taxes. For the purpose of illustration I desire to call your attention to the official figures of 1895, which are not materially different from those of the present year, and which, having been acted upon, are more certain for the purposes of computation.

The entire value of the assessed property of the State in 1895, as equalized by the boards of supervisors, was $818,086,160. The Board of Review, acting under Section 1239 of Howell's statutes, fixed the average rate of taxes for State, county and municipal purposes, at .028.

The total cost of railroad property in the State, as returned by the companies and verified by the affidavits of their officers for the same year, was $301,003,148.44.

If the companies had been assessed upon this sworn valuation their taxes for that year, at the average rate, would have amounted to $8,428,088.15. The taxes which they paid

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were $741,408.77. Their tax amounted to a little less than one-quarter of one per cent upon their own sworn valuations. It was less than one-eleventh of the percentage paid by other taxpayers of the State.

The average rate of taxation, as fixed by the Board of Review for the year 1897, is reported to me as three per cent. The taxes to be paid by the railroads do not materially differ from those collected in 1895.

The enormous inequality to which I called your attention in my special message of May 6, 1897, has increased instead of growing less.

The Situation.

We are confronted with this situation: The ordinary taxpayers of the State are bearing an annual burden of three per cent upon the value of their property. The railroad companies are paying less than one-quarter of one per cent upon their properties and less than one-eleventh of the proportion borne by others.

One set of taxpayers are bearing an excessive share of the public burdens. Another set of taxpayers are almost exempted from any share.

In a speech delivered at Chicago on the 22d of February, last, ex-President Harrison used this strong language: "Where is the moral distinction between the act of putting one's hand in his neighbor's pocket and clandestinely abstracting his pocketbook and the fraudulent shifting of a debt that I owe to another? Mr. Lincoln's declaration that this country could not continue to exist half slave and half free may be paraphrased today by saying that this country cannot continue to exist half taxed and half free."

These words of the distinguished ex-president should sink deep into the hearts of those who are entrusted with the taxing power. They contain a statement and a warning which it will not do to ignore. They place the defrauded taxpayer who is robbed of his money on the same level as the defrauded slave who was robbed of his liberty. There is in fact no distinction. The slave-holder absorbed the earnings of the slave by making him work without compensation. Those who evade the payment of taxes do the same thing when they compel their neighbors to pay an unjust proportion of their earnings into the treasury. The crime is the same.

Injustice of Specific Taxes.

The system of specific taxes, when applied to only a part of the property of the State, cannot be continued for any length of time without producing great injustice.

It will be readily seen that if all the property of the State were to be taxed specifically, and at a fixed rate determined upon in advance, it would be impossible to meet any of the emergencies which from time to time arise. If, for instance,

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in 1846 the Legislature had fixed three-quarters of one per cent as the taxes which should be paid by all taxpayers, as it did fix the taxes to be paid by the chartered railroad companies, there would have been no way to provide for the increase of taxes which has since occurred.

Under the special chartérs specific taxes were placed in 1846 at three-quarters of one per cent upon the capital stock paid in and such moneys as were realized from loans used in the construction of railroads. This rate of taxation was made to commence in 1851. It will be noticed while this rate was fixed as a specific tax it was fixed upon the value of the property and not upon earnings.

At that time we had no great University, no asylums worth speaking of, no Soldiers' Home, no normal schools, no Agricultural College, no schools for the deaf or blind, no industrial homes, no mining school, no great prisons, no expensive militia and comparatively inexpensive schoolhouses. This was at a time, too, when the population along the line of these roads was very much less than at present. Indeed, the entire population of the State was not at that time as great as the present population of the city of Detroit. The commerce of the State was comparatively undeveloped.

The intervening period has been one of wonderful development in this State. At every session of the Legislature the people have been called upon to make extraordinary appropriations for building up State institutions. The period includes the years of war between 1861 and 1865, during which the burdens upon the taxpayers were greatly increased and enormous sacrifices had to be made.

During this period the percentage of taxes of the ordinary taxpayer increased with great rapidity. In 1855, when the first republican Legislature convened, the rate of taxation for State purposes was less than one-third of a mill on the dollar and about six cents per capita.

In 1865, at the end of the war, the taxes for State purposes were less than four mills on the dollar and only 57 cents per capita.

In 1895 our taxes for State purposes had increased to $1.84 per capita.

Aud. General's Rep. for 1896, pages 309 and 310.

During the same period the proportion of taxes paid by the railroad companies decreased.

In 1855 the railroads paid 72 per cent of all the taxes levied for State purposes. In 1895 the percentage had dropped to twenty-one and seven-tenths per cent. This percentage refers to State taxes alone.

The other taxpayers of the State were called upon to meet a similar increase in taxes for local purposes, from which the railroad companies in the State have been entirely free.

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History of Railroad Taxation.

The history of railroad taxation in this State is very interesting. Under the special charters of 1846 the roads were required to pay, after 1851, an annual tax of three-quarters of one per cent upon their capital stock paid in and upon all loans made by the company for the purpose of construction.

Upon this basis the taxes upon railroads in 1895 would have been $2,257,523.61 instead of $741,408.77.

In 1855 the general railroad law was passed by the first republican Legislature of the State of Michigan. It placed the taxes of railroad companies organized under it at one per cent upon the capital stock paid in. Under this act, if it had been left undisturbed and applied to all railroads, the State would have received in 1895 $3,010,031.48, instead of $741,408.77.

In 1869 the act was amended so as to require the companies to pay, in addition to the above, one per cent upon all moneys realized from loans, municipal aid and other sources used in the construction of the roads.

Every change in the system of taxation from 1869 to the present time, with the exception of the act passed in 1897, has resulted in decreasing the proportion of taxes paid by the railroads.

In the meantime the burden of taxation on others, as already shown, has enormously increased.

The Legislature of 1846, although supposed to have been compelled to submit to a hard bargain, fixed the rate of taxation at that time upon a comparatively fair basis.

The Legislature of 1855, in fixing the tax of one per cent upon the value of railroad property, sought to make the railroad companies pay their just proportion, that being about the average rate at that time.

The Legislature of 1869 saw the justice of adding to the capital stock of the companies the property received from towns through which the roads passed, and the improvements made from borrowed money.

The system of a tax on earnings was not adopted until 1871. At that time the railroad companies were paying nearly 35 per cent of the whole State tax, not including taxes for municipal purposes. The effect of the legislation was to decrease the percentage paid by the railroads in two years to less than 18 per cent.

Even the change made in the Michigan Central charter in 1893, by which the people were led to believe that the Michigan Central Railroad Company, in coming under the general law as to taxation, had made a concession favorable to other taxpayers, has operated to decrease the burdens of that company.

The report of the Michigan Central Railroad Company, found in the Railroad Commissioner's report for 1896 at page

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351, shows the cost of the 221 miles of that road in Michigan to be $25,462,632.13. Taxes computed upon this sum under the old charter, at three-quarters of one per cent, would amount to $190,969.74. The taxes paid by the company in 1895, under the new act, were $145,515.01, making the State a loser by the change of $45,454.73.

This is the loss for a single year. The repeal of the charter was made to cover the taxes of 1892, so that the State has already lost by the change made in 1893 more than $200,000

Land Grants.

While these reductions were being made in the taxes paid by the railroads they were receiving immense favors from the State.

In 1856 the general government gave to the State, to aid in the construction of railroads, six sections of land for every mile of railroad that should be built.

In 1857 the Legislature of the State passed an act to aid in the construction of a railroad from Amboy, by way of Hillsdale and Lansing, to Traverse Bay; another from Grand Haven to Flint and then to Port Huron; another from Pere Marquette, now Ludington, to Flint and from there to Port Huron; another from Grand Rapids to Traverse Bay; another from Marquette to the Wisconsin line; another from Ontonagon to the Wisconsin line; another from Little Bay De Noquet to Marquette; and another from Marquette to Ontonagon.

It turned over to the companies undertaking to build these roads the six sections of land given to it by the general government for every mile of road. It exempted the land so given from taxation for the period of seven years.

In Section 20 of the act it was provided: "In consideration of the grants of land and other privileges hereby conferred on each of the several railroad companies mentioned * * * the said several railroad companies are hereby required within sixty days from and after the first day of January of each and every year to pay into the treasury of the State, as a specific annual tax, one per cent upon the cost of the road and its equipments and appurtenances of whatever kind; and it shall be lawful for the Legislature of the State in their discretion, after ten years, to impose upon either or each of said railroad companies the payment of a further tax upon the gross or total earnings of such road, not exceeding two per cent."

Laws of 1857, page 346.

In the upper peninsula the exemption from taxes was made for ten years. The act required the companies to accept these gifts in writing and to agree to the provisions of the act. This was a solemn contract between the railroads and the State.

Under this act the State should be now receiving, from the

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companies aided, at least three millions of dollars every year, besides the two per cent on earnings.

The value of the lands thus given away is almost beyond computation. They were covered with magnificent forests of pine and hardwood and beneath the surface there was untold mineral wealth.

Alternate sections were given to the companies and the others sold to actual settlers. Every acre cleared by the pioneer and every road built by him, to enable him to reach a market with his product, enhanced the value of the railroad land. The settlers were not only required to build roads through their own sections, but through the railroads' sections, a fact which added materially to the burdens of the home-builders. Their children were compelled, in many cases, to cross these unimproved sections for the purpose of reaching the schools. The railroads were put in a position where they got the advantage of a development which cost them nothing.

Every settler became one of their customers and in addition to the indirect burden imposed upon him he was compelled to pay almost anything they asked for transportation.

This contract on the part of the railroad companies, to pay one per cent on the cost of the roads, has been violated from the first, so that the State has never realized anything substantial from it.

In most instances the land grants made to the companies have been separated from the ownership of the railroads and treated as profit by the promoters. In this way the State has been left to deal with crippled and impoverished corporations, while the generous gifts to aid them have passed into other hands. The lands themselves have in many cases been stripped of their timber during the period of their exemption from taxation, and have returned to the State in a worthless condition for the non-payment of subsequent taxes.

Swamp Lands.

In addition to the lands given by the general government to the State to aid in building railroads, immense tracts were given to aid in draining and reclaiming the low lands of the State. As to these lands the State was simply a trustee. The trust should have been regarded as sacred.

In 1896 a joint resolution was passed providing that swamp lands in the upper peninsula might be used for making the road beds for tramways and railroads.

Laws of 1869, page 416.

To keep up the pretense of executing the trust the Legislature provided "That such tram, train or railroad shall be as well built and the lands through which it runs be equally as well drained as required in building the roads for which such appropriations were originally made."

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In 1873 an act was passed which continued this fraudulent pretense. The Board of Control of State Lands were authorized, "In order to secure the early construction of a railroad from the Straits of Mackinaw to Marquette, and for the purpose of 'drainage and reclamation,' to appropriate ten sections of said swamp lands for every mile built by any railroad company."

Laws of 1873, page 37.

This was not only a violation of the trust imposed in the State by the general government, but a direct violation of the Constitution of the State, which prohibited it from engaging in any work of internal improvement.

In 1875 this act was amended so as to allow the board to appropriate sixteen sections for every mile and to exempt the lands thus given away from taxes for sixteen years.

Laws of 1875, page 119.

Under this act more than one million two hundred thousand acres of the finest timber and mineral lands in the upper peninsula were given for the purpose of aiding in the construction of a railroad running from St. Ignace to Marquette.

At the same session of the Legislature five sections of land per mile were given to assist in building a road from L'Anse to Houghton. These sections were also taken from the swamp land.

The act provided that the land should not be taxable until conveyed to the railroad company, so that by not applying for the patents the company had the power to avoid the payment of any taxes until after it had sold the lands to others.

Laws of 1875, page 229.

At the same session seven sections of swamp land per mile were given to aid in the construction of the road from Escanaba to the Menominee Iron Range. The lands were exempted from all taxes for five years.

Laws of 1875, page 272..

In 1877 this act was re-enacted with the provision that the land should remain exempt from taxes until five years after the company should become entitled to them.

Laws of 1877, page 22.

In 1879 another act was passed "for the purpose of drainage and reclamation," giving seven sections per mile to a railroad from Menominee to Quinnesec, and providing that the lands should remain exempt from taxes until five years after the company should become entitled to them.

Laws of 1879, page 22.

These acts are only samples of many to be found in our statute books during that period of plunder and spoliation. They followed each other in rapid succession until the generous gifts of the national government to the State had been ab-

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sorbed by the railroad companies, and until the lands in the hands of the railroad companies had become exempt from all taxation.

Under what pretense can the railroad companies of this State, after having received these generous gifts, ask to be exempted from their contract obligations? How can any honest man now object to making the companies thus richly endowed by the State pay at least their share of the public burdens?

They have already reaped a golden harvest from these gifts. They have realized enormous sums from the sale of timber and its transportation to market, and from the sale of mineral lands and the transportation of ores.

The government of the United States and of the State and of every municipality in the State have been careful to avoid every species of repudiation and to fulfill, even beyond the letter of their contract, every obligation incurred on their part. Have we not the same right to insist that those who received large properties from the State shall keep their contracts?

I am aware that it is claimed by the railroad companies that their business is so depressed and Michigan affords such a poor field for their operations that they cannot afford to contribute their share towards the necessary expenses of the State.

As to this excuse I can only repeat what I said in my message of May 6, 1897: "I regard it as a slander upon the commonwealth to say that Michigan is not as favorably situated for railroad operations as any of her sister states. She has been considered unusually rich in resources, and resources of that character which make business for railroads. Michigan is first in the production of lumber, first in the production of salt; first in the production of copper; first in the production of iron; she is far above the average in the production of wheat, corn, potatoes, wool and fruit; she has an industrious and thrifty population; she lies in the path of through commerce and certainly enjoys her full share of it."

In 1890 the manufactured products of Michigan exceeded those of Indiana by more than fifty millions, although the population of Indiana at that time was slightly in excess of the population of Michigan.

I am aware too of the suggestion made by interested persons that railroads constitute a peculiar kind of property which should be treated differently from the other property of the State.

It is suggested that if taxes are raised the rates charged for carrying freight and passengers must also be raised.

If this was the case it would afford no excuse for taxing railroad property at a lower rate than that which is paid by the owners of other property. We have no right to tax the people at large for the benefit of those who ship freight or ride upon railroads.

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This kind of an argument may be made by any one who wants a special privilege for himself. The proprietor of a hotel may insist on low taxes on the ground that he can afford to charge his guests a lower price for entertainment. The man who has a corner on wheat may make the same claim on the ground that he can afford to sell his wheat cheaper to his customers. The monopolists in oil will insist that by being relieved of taxes they can allow the people to have cheaper light. The baker may argue that if not taxed he can sell cheaper bread. The farmer may insist that if not taxed he can afford to sell his products at a lower price. Experience, however, proves that when people are relieved from taxes they do not charge any less for what they have to dispose of. The railroads in this State which are paying no taxes charge their ordinary passengers four cents a mile. The Michigan Central, which is apparently a much more prosperous road than the Grand Trunk, charges its ordinary passengers three cents, while the Grand Trunk carries them for two. The monopolist in wheat, and the monopolist in oil, get the highest price they can for what they sell. The same is true of everyone else.

The suggestion has been industriously circulated that Michigan enjoys unusually low railroad rates.

The Interstate Commerce Commission group Michigan, Indiana, Ohio, Pennsylvania and New York together. The average rate of freight in this group is .00642 per ton per mile. This was in 1895. The rate in Michigan for the same year was .0076, which was increased in 1896 to .00808. From this it would appear that the railroads in Michigan are charging more than the railroads in other states in the group, although in all these states the taxes are at least three times as high upon railroads as in Michigan.

The increase in freight rates in Michigan in 1896 over 1895, figured upon the total traffic as reported to me by the Railroad Commissioner, was $1,129,955.45. This increase alone paid all the taxes that the State levied against the companies and left them over three hundred thousand dollars.

In Indiana, where the taxes on railroads are at least three times as high as in Michigan, the freight rate per ton per mile for the year 1896 is reported at .00618. In Michigan for the same year, as already stated, it was .00808, a difference of .0019 per ton per mile in favor of the Indiana shippers. This difference calculated upon the total tonnage of Michigan, as computed by the Railroad Commissioner, amounts to $4,472,740.33.

Out of this difference the railroad companies of this State could pay their taxes for 1896 and have a balance left of $3,730,665.70.

From the computation on file in the office of the Commissioner of Railroads it has been found that the through rate in Michigan, that is to say on freight that comes into the State from other states and passes out again, is .00614 per

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ton per mile, while the average local rate in Michigan is .0095035.

The rate to foreign shippers is fixed by competition. The rate to Michigan shippers is fixed by the railroad companies.

To show how the discrimination works it is only necessary to state that to ship a carload of goods billed at twenty tons, the Michigan shipper has to pay $19.07 for one hundred miles, while the through shipper, for the same amount, can have a similar car transported one hundred and fifty-five miles.

It is useless, however, to multiply these illustrations. We have no right to tax the whole people for the benefit of a few. We have no right to relieve railroads of taxation, or in other words to make the other taxpayers pay the taxes which railroads should pay to benefit those who ship freight or ride on railroads. The rules of honesty require that every man should pay his share of the taxes, and that every dollar's worth of property of every kind should bear its equal proportion.

Railroads Exempt from Taxation.

So far I have dealt with those railroads in the State which contribute something towards the public burden. There are, however, a number of railroads which pay nothing.

In 1891 an act was passed exempting railroads to be constructed north of parallel 44 of latitude from taxes for ten years. Under this act the Alpena and Northern division of the Detroit & Mackinaw, having 84.70 miles of road, the Boyne City & Southeastern, having 14 miles, the Chicago & North Michigan, having 92.62 miles, the Chicago, Milwaukee & St. Paul, Channing division, having 47.05 miles, the Manistee & Northeastern, having 24 miles, and the Wisconsin & Michigan, having 54.10 miles, have been paying no taxes whatever.

The sworn reports of these companies show that they are valued at more than fifteen millions of dollars. They are used as feeders to other systems, some of which pay as high as seven per cent in dividends. On what principle can these properties be exempted from taxation?

Our Constitution provides: "The legislature shall provide an uniform rule of taxation, except on property paying specific taxes."

Article XIV, Section 11.

How can we call that an uniform rule of taxation which exempts some property entirely from taxation and shifts the taxes which it should pay to other property? It is mere robbery under the name of legislation.

Demands upon the State.

At your general session you were called upon, as your predecessors have heretofore been called upon, to make extraordinary appropriations for State institutions. It was abso-

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lutely necessary that these appropriations should be made. The ordinary taxpayers of the State are compelled to meet them. The railroad companies make a profit out of every appropriation made, while they contribute a mere pittance in proportion to the general taxpayer. They make a profit upon every student who is carried to our normal schools or university; upon every prisoner who is taken to one of our penitentiaries; upon every insane person who is transported to an asylum; upon every pound of freight that is carried to any of the State institutions for their use. On what principle can it be said that they should not bear their proportionate share of the cost of maintaining these establish ments?

At your general session you were also called upon, as your predecessors have been called upon before, to provide for those who had suffered by fire and famine. The railroad companies made a profit on every pound of freight sent to the relief of those unfortunate people while paying practically nothing towards the appropriation made for them.

From the beginning these great corporations have practically evaded their duties to the State. In the war for the Union the burden of every taxpayer was largely increased. The railroad companies made a profit on every soldier who was carried to the front and upon the body of every dead soldier that was brought home to be buried. At the same time their taxes remained stationary. We cannot tell at what moment the State may again be called upon to contribute to the national defense. Shall we permit history to repeat itself and leave the whole burden of national defense to fall upon the ordinary taxpayers while the railroads reap a profit from the struggle?

Express Companies.

In my message of May 6, 1897, I called your attention to the operation of the present laws with reference to express companies, and pointed out to you that under the laws as they then existed we collected from express companies in the State, as one per cent on gross earnings, in 1895, $2,742.34, and in 1896, $2,563.36. In the neighboring State of Indiana the property of these companies was assessed in 1895 for $1,330,676. Indiana had at that time 1,336 less miles of railroad than Michigan. The business of express companies is largely dependent upon the railroads, so that it is safe to say that with our excessive mileage and excessive commerce the business done in this State must be at least equal to the business done in the State of Indiana.

If the express companies of this State had been assessed at the same amount as in Indiana, their taxes would have been, in 1895, $37,258.93, instead of $2,742.34. This is computed at the average rate of taxation as fixed by the Board of Review for that year.

In the neighboring State of Ohio express companies are made to yield even a larger revenue than in Indiana. The

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system under which they are taxed in Indiana and Ohio has been pronounced fair and just by the Supreme Court of the United States, and I earnestly recommend the adoption of the same system in this State.

Telegraph and Telephone Companies.

Telephone companies are taxed at the average rate paid by other taxpayers in the State. This rate is determined by a Board of Review from the records in the Auditor General's office.

The following table is valuable not only in this connection, but as indicating to you the average rate of taxation in this State for several years:

Rate as equalized by Board of Review:

1886	.0225
1887	.0215
1889	.0216
1891	.0228
1893	.023
1894	.026
1895	.028

Aud. Gen's Rep., 1896, page 73.

The difficulty with these companies is that many of them do an interstate business and are incorporated under the laws of other states. Their property in sight in this State is comparatively small, although their earnings are very great. The Ohio and Indiana system as to express companies should be applied to them so that taxes may be levied upon the proportionate amount of their capital used in this State.

Values, not Earnings, Should be Assessed.

There is but one rule consistent with honesty and that is to place all the property of the State upon the same footing and to make every one pay his share and to ask no one to pay more than his share. No one should ask the railroads, express companies, telegraph and telephone companies to do more than they insist upon others doing. We should not be satisfied with less. We should bear in mind that we are only representatives, in passing laws that affect the interests of our constituents and the interests of unborn men and women who are to come after us. Our constituents have a right to demand a substantial and bona fide effort to equalize taxes and to make every one pay his just share.

Distribution of Taxes.

The taxes paid by railroad companies, express companies, telegraph and telephone companies under the present system are devoted to the primary school fund. I respectfully recommend to you that the taxes to be collected under any

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act which you may pass be devoted to the same purpose, and be paid direct to the school districts of the State in proportion to the number of school children.

As I have already pointed out, the State has made great sacrifices to establish railroads. Many of the municipalities have made large donations for the same purpose. It is only just that those parts of the State which have no depots or other valuable railroad property should receive something in return for the sacrifices in which they have shared. The return can be made in no better way than by devoting the taxes collected to the primary school fund, in which all the people of the State are intensely interested.

In many parts of the State the people are unable to maintain schools except for a few months. If these corporations are made to bear their proper proportion of taxation and the money collected from them is devoted to the primary school fund it will enable districts where schools are now maintained only for a few months to maintain them for a longer period, and in all parts of the State will assist the taxpayer in defraying the expenses of education.

Recommendations.

I recommend that you authorize the appointment of a State board of five, to be non-partisan if the Constitution permits, which shall be empowered to make a just and equitable valuations of the franchises and other property of railroad companies, express companies, telegraph and telephone companies at their true cash value, and to ascertain the average rate of taxes paid by the other people of the State for State, county and municipal purposes, and to assess the property of these companies at that rate, the moneys collected to be paid directly to the State Treasurer and by him distributed in the same manner as the moneys now collected from specific taxes.

In conclusion I desire to earnestly urge this duty upon you in the name of equality and justice. I trust that prejudices for or against corporations will have no part in your deliberations. Michigan should be absolutely just. Natural and artificial persons, whether rich or poor, resident or non-resident, are entitled to the same treatment before the law.

After which,

The Governor, the State officers and the justices of the supreme court retired.

Mr. Gillam moved that the joint convention do now adjourn.

Which motion prevailed.

The Lieutenant Governor and Senators having retired,

The House was called to order by the Speaker.

Roll called; a quorum present.

The Speaker announced that the House and Senate had met in joint convention, and listened to a message from His Excellency, the Governor.

Mr. Sawyer offered the following:

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Resolved, That the message of the Governor in relation to the taxation of railroads and other corporations be referred to a special committee of fifteen to consider said message, its recommendations and suggestions, and report to this House with all convenient speed such measures, bills and resolutions as said committee may deem advisable and that all bills and resolutions relative to said message and said bills offered by any member shall be also referred to said committee; that said committee shall be appointed by the Speaker:

The question being on the adoption of the resolution,

Mr. Atkinson demanded the yeas and nays.

The demand was seconded and the resolution was not adopted, by yeas and nays, as follows:

YEAS.

Mr. Bates	Mr. Smith	Mr. Sawyer	
Bemis			4

NAYS.

Mr. Adams	Mr. Fleischhauer	Mr. Otis	
Allison	Foster	Pearson	
Alward	Fuller	Peek	
Anderson	Gibson	Perry	
Atkinson	Gillam	Peters	
Babcock, C. G.	Goodell	Petrowsky	
Babcock, H.	Goodyear	Phillips, C. C.	
Belknap	Graham	Phillips, M. F.	
Billings	Green	Powers	
Bricker	Gustin	Putney	
Bryan	Hammond	Reed	
Buskirk	Harris	Rulison	
Cahoon	Herrig	Savage	
Caldwell	Hofmeister	Scully	
Camburn	Jackson	Shepard, F. M.	
Campbell	January	Shepherd, F.	
Chamberlain	Kelly	Shisler	
Clark	Kerr	Stewart	
Clute	Kimmis	Stoneman	
Coad	Lusk	Tefft	
Colvin	Madill	Van Camp	
Connors	Marsilje	Vought	
Cousins	Mayer	Washer	
Crippen	McGill	Weier	
Davis	Miller	Wetherbee	
Dickinson, J. H.	Molster	Whitney	
Dickinson, L. D.	Moore, E. W.	Widoe	
Donovan	Moore, M. G.	Wing	
Dudley	Niedermeier	Zimmerman	
Eikhoff	O'Dett		89

The Speaker announced the following:

I hereby appoint Mr. Grant S. Bennett of Detroit, press clerk, to fill vacancy; also Mr. Milton W. Guy of Washtenaw county, assistant cloak room keeper, to fill vacancy.

Wm. D. Gordon,
Speaker.

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Mr. Chamberlain offered the following:

Resolved, That the daily sessions of this House shall begin at 10 o'clock a. m. and 2 o'clock p. m. during the period of the extra session;

Which was adopted.

Mr. Atkinson, unanimous consent being given, introduced

House bill No 1, entitled

A bill to provide for the assessment and levy of taxes upon the property of railroad companies, express companies, telegraph companies and telephone companies.

The bill was read a first and second time by its title, and

On motion of Mr. Atkinson,

The bill was ordered printed in the Journal and referred to the Committee on Revision and Amendment of Statutes.

The following is the bill:

A bill to provide for the assessment and levy of taxes upon the property of railroad companies, express companies, telegraph companies, and telephone companies.

SECTION 1. *The People of the State of Michigan enact*, That it shall be the duty of the Governor, within five days after this act shall take effect and be in force, to appoint four resident freeholders of this State, and their successors thereafter as their terms of office shall expire, who, with the Auditor General of the State shall constitute the State Board of Assessors, of which the Auditor General shall be the president. The persons so appointed shall hold their offices for the term of two years from and after the day of their appointment respectively, or until their successors shall be appointed and qualified. A majority of said board shall constitute a quorum for the transaction of the duties prescribed for said board under this act.

SEC. 2. Said board shall elect a secretary at a salary not to exceed two thousand dollars per annum. The secretary so appointed shall hold his office for the term of two years and shall keep a record of all the proceedings of said board, which record with all other papers or proceedings of said board shall be a part of the records of the Auditor General's office, and of which the Auditor General shall be the lawful custodian. The secretary shall devote all his time to the duties of his office, and when said board is not in session shall perform such duties as may have been assigned him by said board or as he may be directed to perform by the Auditor General.

SEC. 3. The members of said board from time to time appointed, and the secretary so elected, shall take and prescribe the constitutional oath of office to be filed with the Secretary of State.

SEC. 4. Said board shall hold its sessions at the office of the Auditor General. It shall have access to all books, papers, documents, statements and accounts on file or of record in any of the departments of State, subject to the rules and regulations of the respective departments relative to the care of the public records. It shall make an assessment roll each year containing a list of all property by it assessed, which assessment roll shall be filed with the Auditor General and be open to inspection like the other files and records in his office. Said board shall have the right to subpœna witnesses upon a subpœna signed by the president of said board,

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and attested by the secretary thereof, directed to such witnesses, and which subpœna may be served by any person authorized to serve subpœnas from courts of record in this State. The person serving such subpœna shall receive the same compensation now allowed to sheriffs and other officers for serving subpœnas. Said board shall have power to examine witnesses under oath, said oath to be administered by any member of said board or by the secretary thereof. Said board shall have the right to examine books, papers or accounts of any corporation, firm or individual owning property to be assessed by said board; and if any corporation, firm or individual refuse to permit said inspection, or neglect or fail to appear before said board in response to its subpœna, said corporation, firm or individual shall forfeit the sum of five hundred dollars to the State. The sum so forfeited may be recovered in a proper action brought in the name of the People of the State of Michigan in any court of competent jurisdiction.

SEC. 5. Said board shall meet on the first Monday in September in each year, and between that time and the first Monday in November of each year assess all the property in this State of railroad companies, express companies, telegraph companies and telephone companies now organized or hereafter organized and doing business in this State, under any law of this State or any state or country. Said board may inspect all the property belonging to said companies, for the purpose of arriving at the true cash value thereof, for the purposes of assessment and taxation. Said board may, for the same purpose, take into consideration the reports and returns of said companies on file in the office of any officer in this State, together with such other evidence as it may be able to obtain bearing upon the true cash value of the property of said companies in this State.

SEC. 6. Said board shall determine the rate of taxes to be levied and collected upon said assessments, and which rate shall be the same as the average rate of taxes for State, municipal and local purposes levied throughout the State during the previous year, not including special assessments for improvements assessed upon properties benefited, made in counties, cities, villages or townships, and which rate shall be ascertained by said board from the records and files in the Auditor General's office and from the returns of the delinquent tax lists of the several counties. And in case any city, village or township in any county in this State shall not be required by law to return its delinquent local taxes to the Auditor General, it shall be the duty of any county treasurer, upon application of the Auditor General therefor, to obtain from the treasurer or other proper officer of the city, village or township described in said application, a certified statement, without delay, of all local taxes assessed upon the descriptions of property returned delinquent for State and county purposes. And it shall be the duty of such treasurer or other proper officers to furnish such information to such county treasurer as may become necessary under the provisions of this act, which statements when received shall be laid before said board by the Auditor General.

SEC. 7. Said board shall tax the property of the several companies as assessed by it, at the average rate of taxation as determined by it, and the amount of tax to be paid by each of said companies shall be extended upon said assessment roll opposite the descriptions of their respective properties, and the tax so extended shall be paid to the State Treasurer

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by said companies respectively on or before the first Monday in January following the assessment and levy aforesaid, which tax when so assessed and levied shall be in lieu of all other taxes for State and local purposes, not including special assessments made in any county, city, village or township.

SEC. 8. Any person or persons, joint stock company or corporation owning and operating a railroad in this State, or owning and operating a union railroad station and depot in this State, whether under special charter or the general railroad law or the act to authorize the incorporation of union railroad stations and depots, or any other act of this State or any other state or country, shall be deemed a railroad company within the meaning of this act.

SEC. 9. Any person or persons, joint stock association or corporation, wherever organized or incorporated or wherever residing, engaged in the business of conveying to, from or through this State or any part thereof money, packages, gold, silver, plate or other articles by express, not including the ordinary lines of transportation of merchandise and property in this State, shall be deemed an express company within the meaning of this act.

SEC. 10. Any person or persons, joint stock association or corporation, wherever organized or incorporated or wherever residing, engaged in the business of transmitting to, from, through or in this State, telegraphic messages, shall be deemed a telegraph company within the meaning of this act.

SEC. 11. Any person or persons, joint stock association or corporation, wherever organized or incorporated or wherever residing, engaged in the business of transmitting to, from or through this State, telephonic messages, shall be deemed a telephone company within the meaning of this act.

SEC. 12. Every railroad, express, telegraph and telephone company defined in the preceding sections, doing business in this State, shall annually, between the first and thirty-first days of May in each year, under the oath of such person or persons, or under the oath of the president, secretary, treasurer, superintendent or chief officer of such association or corporation, make and file with the Auditor General, for the use of said board, in such form as the Auditor General may prescribe, a statement containing the following facts:

First, The name of the company.

Second, The nature of the company, whether a person or persons, an association or corporation, and under the laws of what state or country organized.

Third, The location of its principal office.

Fourth, The name and postoffice address of the president, secretary, auditor, treasurer and superintendent or general manager.

Fifth, The name and postoffice address of the chief officer or managing agent of the company in Michigan.

Sixth, The number of shares of the capital stock.

Seventh, The par value and market value, or if there be no market value, the actual value of the shares of stock on the first day of May.

Eighth, A detailed statement of the real estate owned by the company in Michigan, where situated and the value thereof as assessed, if it is assessed for taxation under any other law.

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Ninth, A full and correct inventory of the personal property including moneys and credits owned by the company, in Michigan, on the first day of May, where situate and the value thereof.

Tenth, The total value of the real estate owned by the company, situate outside of Michigan.

Eleventh, The total value of the personal property of the company and situate outside of Michigan.

Twelfth, In case of railroad, telegraph and telephone companies, the whole length of their lines and the length of so much of their lines as is without and as is within Michigan, which lines shall include what said railroad, telegraph and telephone companies control and use as owners, lessees, or otherwise.

Thirteenth, A statement of the entire gross receipts of the company, from whatever source derived, for the year ending the first day of May, from business wherever done.

Fourteenth, A statement of the gross receipts for the year ending the first day of May, from whatever source derived, and of each office within this State, and the total gross receipts of the company for such period in this State.

Fifteenth, In case of express companies, the whole length of the lines of rail and water routes over which the company did business on the first day of May, and the length of so much of said lines of land and water transportation as is without and is within this State, naming the lines within this State.

Sixteenth, Such other facts and information as said board may require, in the form of the returns prescribed by the Auditor General. Blanks for making the above statement shall be furnished to such companies on application to the secretary of said board: *Provided, however*, That the reports hereby provided for shall not in any way relieve any of said companies from making the reports now required to be made to other State officers: *And provided further*, That the report herein required to be made for the year 1898 shall be made on or before the first day of September, 1898.

SEC. 13. The franchises of companies assessed under this act shall be considered property and said board shall assess the franchises and other property of all railroad companies owning or operating railroads in this State at their true cash value. And in case any of said railroad companies own or operate railroads partly within and partly without this State, said board shall, for the purpose of taxation, only assess said company for the fair proportion which its franchise and property in this State bears to its entire franchise and property.

SEC. 14. Said board shall ascertain and assess the value of all property of express companies, telegraph and telephone companies doing business in this State at its true cash value. And in determining the property of said companies in this State, to be taxed within the State and assessed as herein provided, said board shall be guided by the value of said property as determined by the entire capital stock of said companies, and such other evidence as will enable said board to arrive at the true cash value of the entire property of said companies within this State, in the proportion which the same bears to the entire property of said company, as determined by the value of the capital stock thereof and such other evidence.

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SEC. 15. In case any company fails or refuses to make the statement required by this act, or to furnish any information requested, the board shall inform itself as best it may on the matters necessary to be known in order to discharge its duties with respect to the assessment of the property of said company.

SEC. 16. At any time after the meeting of said board in September as above provided, and before the assessment of the property of any such company is determined, any company or person interested shall have the right, on written application, to appear before said board and be heard as to the valuation of the property of said company, and said board may, on such application or on its own motion, correct the assessment or valuation of the property of any such company or person in such manner as will in its judgment make the valuation thereof just and equal.

SEC. 17. In case any company required to file a statement under the provisions of this act fails to make and file such statement on or before the thirty-first day of May, or in the year 1898 on or before the first day of September, such company shall be subject to a penalty of five hundred dollars and an additional penalty of one hundred dollars for each day's omission after the day prescribed for the making of such report, to file such statement, such penalty to be paid to the State and to be recovered in an action in the name of the People of the State of Michigan in any court of competent jurisdiction.

SEC. 18. Said board shall not include in its assessment against said companies any property already assessed upon its value for taxation under any other law of this State.

SEC. 19. All taxes collected under this act shall be applied in paying the interest on the primary school, university and other educational funds, and the interest and principal of the State debt, in the order recited, until the extinguishment of the State debt other than the accounts due to educational funds, when such taxes shall be added to and constitute a part of the primary school interest fund, and such taxes as are collected under the provisions of this act shall be treated and disbursed as specific taxes are now treated and disbursed.

SEC. 20. It shall be the duty of said board to make and prepare an assessment roll setting forth the valuation and assessment and the taxes assessed upon all property to be assessed and taxed under the provisions of this act, and to file the same with the Auditor General of the State on or before the tenth day of December in each and every year. And it shall be the duty of the Auditor General to notify the persons or corporations so assessed to pay the taxes assessed against them respectively to the Treasurer of the State of Michigan on or before the first Monday of January next succeeding the date of said notice.

SEC. 21. If such person or corporation shall neglect to pay the taxes so assessed, for thirty days after the time limited by this act for the payment thereof, it shall be the duty of the Auditor General to issue his warrant to the sheriff of any county in which the principal office of the corporation or person so assessed is situated in this State, or to the sheriff of any county in which any property belonging to such corporation or person may be situated, commanding him forthwith to levy the same, together with two per cent for his fees, and a further penalty of five per cent for every month or part of a month during which said corporation or person shall be delinquent in the payment of said tax,

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by distress and sale of any of the property of said corporation or person wherever the same may be found in this State. And it shall be the duty of such sheriff to collect such tax and pay the same over, reserving his fees, to the State Treasurer, within ten days after the same is collected.

SEC. 22. The sheriff to whom such warrant shall be directed shall give public notice of the time and place of sale and of the property to be sold, at least ten days previous to the sale, which notice shall be posted in three public places in the township, city or village where such sale is to be made, and such sale shall be by public auction at the principal entrance to the court house of the county of which he is sheriff.

SEC. 23. If the property so destrained cannot be sold for want of bidders, or if the property of any coporation levied upon under this act is insufficient to pay the tax, the sheriff shall forthwith return a statement of the same to the Auditor General; and if such corporation shall still neglect or refuse to pay such tax within thirty days after such return, it shall be deemed a forfeiture of all its corporate rights and privileges. And the Auditor General shall request the Attorney General, who shall, by a bill in equity, apply to any court of competent jurisdiction in this State, upon proper notice to the corporation to be affected, to have such forfeiture declared and enforced.

SEC. 24. The members of said board under this act shall receive, in addition to their necessary expenses in the performance of their duties, ten dollars each per day for the time actually spent in performing the duties prescribed by this act, to be allowed by the Board of Auditors and paid by the State Treasurer out of the general fund.

SEC. 25. Said board shall attach to the assessment roll herein provided for a certificate to be signed by the members of said board, or the majority of said members who have taken part in the asssessment of the property of said companies, in the following form:

We do hereby certify that we have set down in the above assessment roll all the property of all the railroad companies, express companies, telegraph companies and telephone companies liable to be taxed, in this State according to our best information, and that we have estimated the same at what we believe to be the true cash value thereof, and that we have taxed the same at the average rate of taxes for State, municipal and local purposes levied throughout the State during the last year, not including special assessments for improvements made in counties, cities, villages or townships.

SEC. 26. The words "cash value" wherever used in this act shall be held to mean the usual selling price at the place where the property to which the term is appiled shall be at the time of assessment, being the price which could be obtained at private sale and not at forced or auction sale.

SEC. 27. Whenever property is sold for taxes under this act, and such property is incapable of division, it may be sold as an entirety, and if there is a surplus arising from the sale of such property the same shall be turned over to the person or corporation against whom the taxes for which it is sold shall have been assessed. And if said surplus is claimed by any other person or corporation than the person or corporation for whose tax such property is sold, and such claim shall be contested, either

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of the contestants may prosecute an action against the other as for money had and received, and in such action the right of the parties to such surplus shall be determined. All the money arising from such sale, less the fees of the officer making such sale, shall in the first instance be paid to the State Treasurer, and upon presentation to such treasurer of a ceritfied copy of the final judgment rendered in such action he shall pay over such surplus to the party recovering such judgment.

SEC. 28. If said board shall wilfully assess any property at more or less than what the members taking part in making such assessment believe to be its true cash value, the members voting in favor of such assessment shall be guilty of a misdemeanor and on conviction thereof shall be punished by imprisonment in the county jail not exceeding one year, or by a fine not exceeding five thousand dollars each.

SEC. 29. If any person or corporation whose property is subject to assessment under this act shall directly or indirectly promise, offer or give to any members during his term of office, or to any other person at his request, any gratuity of any kind whatever, such person or corporation shall forfeit to the State the sum of ten thousand dollars for every such offense, to be recovered in an action in the name of the People of the State of Michigan in any court of competent jurisdiction. And the recovery of such sum under this act shall not constitute a bar to any prosecution of the person or corporation so offending under the criminal laws of this State.

SEC. 30. All acts or parts of acts, whether contained in special acts under which any of the companies whose property is to be assessed under this act, shall have been incorporated, or in the general railroad law and the amendments thereto, or in the act for the incorporation of union railroad stations and depot companies, or in any other law of this State, so far as such acts or parts of acts are inconsistent with this act, and no further, are hereby repealed: *Provided, however*, That all rights which the State has now under any of said acts for taxes or penalties, shall not be in any way affected by this act, and this act shall not constitute a bar against any prosecution or recovery on account of such taxes or penalties.

Mr. Peters offered the following:

Whereas, The presiding officer of the universe has seen fit in his infinite wisdom to remove from this body our fellow colleagues, Representatives Lee and Rowley, therefore be it

Resolved, That this House do now adjourn and stand adjourned until tomorrow morning at 10 o'clock, as a mark of the respect and esteem, with which they were held by the members of this House;

Which was adopted by an unanimous rising vote, and

The Speaker declared the House adjourned until 10 o'clock tomorrow morning.

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Lansing, Wednesday, March 23, 1898.

The House met pusuant to adjournment and was called to order by the Speaker.

Prayer by Rev. Mr. Bostwick.

Roll called: quorum present.

Absent without leave: Mr. January.

On motion of Mr. Gillam,

Leave of absence was granted to Mr. January, indefinitely.

The Speaker announced as the committee on special memorial services for the deceased members of the House, Messrs. Lee and Rowley and Sergeant-at-Arms Gibson, Messrs. Miller, Davis and Colvin.

The Speaker also announced the following:

I hereby appoint William Barrett of Bay county, Document Room Keeper, to fill vacancy.

J. W. Kincaid of Ingham county, Assistant Document Room Keeper, to fill vacancy.

Percy Gibson of Montcalm county, Floor Messenger, to fill vacancy.

Wm. D. Gordon,
Speaker.

INTRODUCTION OF BILLS.

Mr. Smith, unanimous consent having been given and leave being granted, introduced

House bill No. 2, entitled

A bill to provide for the assessment and levy of taxes upon the property of railroad companies, express companies, telegraph companies, and telephone companies.

The bill was read a first and second time by its title, and

On motion of Mr. Smith,

The bill was referred to the committees on Railroads and General Taxation, jointly.

Mr. Green, unanimous consent having been given and leave being granted, introduced

House bill No. 3, entitled

A bill to provide for the local taxation of railroads.

The bill was read a first and second time by its title and referred to the committees on Railroads and General Taxation, jointly.

Mr. Adams:

Mr. Speaker, I have a bill which I desire to introduce.

The Speaker:

Has this bill been noticed?

Mr. Adams:

It has not. I ask the unanimous consent of the House.

The Speaker:

The gentleman from Kent asks unanimous consent for the introduction of this bill. Is there any objection? The Chair hears no objection.

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The clerk read the title of the bill as follows:

A bill to amend sections 18, 19, 20, 21, 22, 23 and 24 of an act entitled "An act to provide for the assessment of property and the levy and collection of taxes thereon, and for the collection of taxes heretofore and hereafter levied; making such taxes a lien on the lands taxed, establishing and continuing such lien, providing for the sale and conveyance of lands delinquent for taxes, and for the inspection and disposition of lands bid off to the State and not redeemed or purchased and to repeal act No. 200 of the public acts of 1891, and all other acts and parts of acts in anywise contravening any of the provisions of this act," being act No. 206 of the session laws of 1893 as amended, and to add thereto seven new sections to be known as sections 23a, 23b, 23c, 23d, 23e, 23f and 118a.

The Speaker:

Does this bill provide for the local taxation of railroads?

Mr. Adams:

It does not.

The Speaker:

The Chair will rule the bill out of order. It does not come within the pervue of the Governor's message.

Mr. Adams:

I desire to offer a resolution out of order.

Mr. Adams offered the following:

Whereas, The taxable property of this State is, under the operation of the existing tax laws very unequally assessed, much of it being secreted from the tax assessor altogether, in some counties, towns and cities property finding its way upon the tax rolls being assessed at a very small percentage of its true market value and some at very near its true value; therefore, be it

Resolved, That His Excellency, the Governor, be and is hereby respectfully requested to recommend by special message the consideration of the question of the taxation of fast freight and all transportation, corporate and individual property of the State. To the end that all property in this State, by whomsoever owned, shall be spread upon our tax rolls at its true market value in fact and bear its just and fair portion of the public burden.

The Speaker:

The question is on the adoption of the resolution. Are you ready for the question? The gentleman from Kent, Mr. Adams.

Mr. Adams:

We are confronted with a condition in this State, and not a theory, using somebody elses words. We are called here in extra session at expense to the State to consider the question of taxation. We are called for the purpose of considering taxes upon a few of the corporations of this State. While we are here, let us take hold with both hands of the question of taxation. It is a serious question. It is a question that demands our best judgment, it demands that we handle it coolly and with discretion. Let us take in our hands all the property in the State of Michigan and deal with it fairly and justly. Our laws at the present time require the assessors to place it upon the roll at its cash value. There is not a man upon the floor of the House but knows that in many towns and cities of this State property is placed upon the roll in some cases at a small percentage of its value, and in some cases but a small

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percentage of the property in the vicinity is placed on at all, while others at a very small percentage of their true value and yet the assessors will take their oaths that it is placed there at its cash value in their judgments. The assessors in this State today take the market value and then take a small percentage of that and place that value upon the roll. It is unjust, it is unfair. Under our system one man can have a farm assessed at fifty per cent of its true value, and his neighbor across the way may have his assessed at a greater value, and yet not be worth any more. It is unjust and unfair. The public burdens should rest equally upon the shoulders of every citizen within the borders of our State, to the end that it may bring about equal, fair and just taxation resting equally upon the shoulders of all our citizens. I offer this resolution and earnestly hope it will pass, knowing full well that the Governor will be pleased to submit this to or consideration by a special message. He has so expressed himself many times, and yesterday in his presentation to us he commended a law that I believe is the fairest law of any state in the Union. It brings every dollars worth of property to the assessors, places it upon the roll, and it is assessed, not at a percentage of its true value, but at its true market value, absolutely so, and thereby the rate of taxation is lowered. The value of the city of Grand Rapids, for instance, which I believe is assessed at twenty-seven millions, when it should be assessed at seventy-five millions. We have an indebtedness today, and our indebtedness is three times the percentage—relative to the actual assessed value, is three times what it ought to be. Suppose we could go to the purchasers of bonds and say to them that our assessed value is three times what it is today. Our indebtedness is not increased, but it enables us to get a better rate of interest, better all around. And that is true of every city, county and town in the State of Michigan. Not only that, but it makes honest assessors. Under our present tax system, this State is a breeder of dishonesty. It makes men do things which are not right. I hope the resolution will prevail.

Mr. Atkinson:

I trust this resolution will be defeated so far as I am concerned. This session was only to consider the subjects for which it has been called. I did not, when this resolution was read, quite understand it, but the reasons shown for its passage are to me conclusive reasons why it ought to be defeated. It is the idea of having some other subject investigated than the subject which is now before us. It is an attempt to simply side-track the question of taxing the corporations mentioned in the Governor's proclamation, so that we may take up some other subject. It is simply to render this session of the Legislature useless, to have the expense incurred and nothing accomplished but to take up our time in the investigation of other subjects. There is no doubt, Mr. Speaker, that throughout this State there is a great amount of property that has been free from assessment. In the speech of President Harrison at Chicago he dwelt entirely upon the subject of people whose bonds and stocks and other wealth are left free from assessment, while their neighbors' farms in sight pay the entire tax of the State, but that subject is not the one we are here now to consider. It is a subject that requires entirely different treatment from the subjects that we are here to consider, and if we should take that up we would have no time to consider what we have been called upon to do. The question of taxation of

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ordinary property in this State is not so very complicated. Every taxpayer has had his attention called to it. Every man who has a farm, every man who has a house, every man who has any property in sight of the supervisor, except the corporations in this State, knows that the tax collector comes around with great regularity, with great punctuality; he knows what taxes mean as far as he is concerned, and neither the Governor nor Legislature can make the supervisors living in different townships value property at its actual sale price. It is impossible to introduce a law that will make two men have the same judgment. We will leave that to be considered in the Kingdom of Heaven, and not in the Legislature of Michigan. It is utterly impossible. I desire to raise my voice against urging upon this Legislature to do other work than it has been called upon to do. We have already this morning referred two bills to other committees, I think we should do what we are called upon to do and I do not want the Governor nor anybody else to lay anything upon us until that is done, and I hope this resolution will be defeated, and it is to be hoped that we shall not be bothered with others of the same kind.

Mr. Adams:

I regret that we are not able to reach up a little and bring the Kingdom of Heaven down. If we could I feel satisfied that the elegant gentleman from Detroit would agree with me. We regret that anything except the one bill is to be termed at this session a trick or scheme to side-track.

The Speaker:

The gentleman from Kent does not use the correct language, the gentleman did not say it was a trick or scheme.

Mr. Adams:

I understood him to use the term.

The Speaker:

No, he didn't use that language, it would have been unparliamentary if he had.

Mr. Adams:

My object in offering the bill or resolution is not to defeat any bill. It is a supplement to the very bill that the gentleman from Detroit has introduced. It recognizes a State Board of Tax Commissioners. It does not upset the system of taxation in our State, but it provides that every individual and corporation holding property shall make a list of every item of property they own and place upon it its true value. The assessor then places the value upon the roll as now. Then the Board of Supervisors equalizes it. It is our present system, but I simply cut out the good features of the Indiana law and added it, to improve our present system of taxation, to the end that we may get every article of property in this State upon the assessment roll and its proper cash value. It does not interfere with the Legislature passing any other bill, it is only supplementary and makes the other stronger; it equalizes the burden of taxation upon every person of this State. If we are not here to deal fairly and justly with every man in this State that resolution should be defeated. Then let us take hold of the question with both hands and adjust and settle it.

Mr. Chamberlain:

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I agree with the gentleman from Wayne when he remarks that there are defects in the law now upon our statute books, in regard to the levying and collection of taxes. The time has never been since Michigan became a State when the tax law was perfect. I would suggest, however, to the gentleman that we have a remedy against wrong of which he complains. If property is not assessed at its true cash value he should apply to the courts and not to the Legislature of the State. There is a law upon our statute book, and has been for many years, making it the duty of the assessing officer to assess property at its true cash value. If the assessors fail in that the remedy is an appeal to the courts and not to the Legislature.

The Legislature has been called in special session by the Governor and he has stated the object for which it was called and that is the subjcet we are called upon to discuss and act upon. If this resolution is adopted and the Governor sees fit to comply with the request and send a special message regarding the taxing of some other property I should be willing to comply with the request. If this continues before the end comes we will have as many bills before us for consideration as we had at the last regular session, and that would result in nothing being done. I believe it is our duty when we are asked by the Governor and he submits to us a special message, to legislate upon that subject. And upon this resolution I demand the yeas and nays.

The Speaker:

The yeas and nays are demanded. As many as second the demand for the yeas and nays will rise. The demand is seconded. The question is on the adoption of the resolution.

Mr. Savage:

Mr. Speaker, I realize what the proposition is before us. I also realize that when we come here each and every member is entitled to the same privileges that are accorded to every other member. I do not believe that one member should be allowed to introduce bills, no matter whether on the subject of taxation or something else, and that another member should be deprived of the same privilege, which he had been granted. I believe, also, that the Governor and the distinguished member from Detroit as well, have many times been before gatherings of people in the State of Michigan where equal rights were accorded to all and special privileges to none. Is it just and right to the members of the Legislature to come here with a bill attacking some corporation or some individual and at the same time not be willing to deal fairly and squarely with others. I cannot say why the distinguished gentleman from Gogebic is opposed to this bill. There are other corporations in the State that should be investigated. There is the Hecla Mining Company in the upper peninsula whose stock I understand three years ago was selling for $25 a share, which I understand today is selling for about $400, which is practically exempt from taxation.

Is it not fair, right and honest between man and man that each species of property should not bear its just proportion and each and every one be subject to the same investigation as we intend to impose upon another?

Mr. Speaker, I am in favor of changing our present tax system if necessary. But I cannot and do not believe that any one member in this House can be vested with all the knowledge and information upon this subject that can be brought before the House. I am just as much in

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favor of passing this bill, if it is right, as any other member upon the floor of this House. And I do not believe this resolution is introduced to side track any bill or to delay action upon any bill, or to treat inequitably any citizen of the State of Michigan. You know, Mr. Speaker, that every member upon the floor of this House knows that when I talk about the cash value of property that in many counties in this State that it is not assessed at its cash value. Mortgages upon real estate in some counties are assessed and in other counties they are not, therefore there is a discrimination in favor of some counties and against others. If we are to have an investigation, and have a just and equitable tax bill, let us do everything in our power to make it just and equitable to each and every citizen of the State of Michigan. Corporations, private individuals, mine owners, grocery stores and all other stores, and treat them all alike. I hope that this resolution may prevail. Something should be done to bring about a just and equitable system of taxation, and I cannot see how these gentlemen can stand upon the floor and oppose this resolution. While it is true that farmers have been burdened with taxation I do not believe there is a member upon the floor that would be in favor of imposing upon any corporation, railroad, telephone, or express companies any more burdens than they would be willing to bear. I believe that each and every one should be wililng to bear their just proportion of taxation along with any corporation in the State. I believe that every branch of taxation where there are any inequalities should be brought before the people in a proper light.

Mr. Smith:

Mr. Speaker, as a general proposition I am very much in favor of this resolution. I think it would be preferable to have an investigation of the whole subject, and so construct our tax laws that they will be just to everybody, and I am in favor of the resolution.

Mr. Colvin:

I for one cannot see how we can go outside of the Governor's message and take up different subjects and keep working away and wasting our time trying to swash around and I think we should not pass this resolution for the purpose of asking the Governor to enlarge upon his message. If the Governor says go further I will hold up both hands for it, but until he does let us hold this question where it belongs.

The Speaker:

That is just the position the Chair has taken. The Chair has ruled the bill out of order. The resolution is for the purpose of asking the Governor to enlarge upon his message.

Mr. Graham:

Mr. Speaker, in all probability we will have within a day or two sent to us a great many hundred petitions coming from people of this State asking for the passing of some tax law that will equalize the taxes among the people of the State. Such petitions have been sent out broadcast upon the land, and have been signed by many thousands of persons, simply asking that the tax laws be made equal. That each person and corporation may be made to pay their just proportion of the taxation. I believe every man in the State of Michigan is willing to do what he can to have it enforced. The bill that has been introduced in accordance with the message relating to railroad companies, telegraph companies, telephone companies and express companies I believe is all right so far

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as it goes. It is not a question of raising taxation. The question is as to equalizing taxation. That is what the people are asking for. As I understand the bill that has been introduced there is a provision requiring every corporation therein named to make a sworn statement of every dollar's worth of property he possesses, even going so far as to impose a tax upon the franchise, an intangible piece of property. We all know there are other inequalities in taxation. If it is equality of taxation the people are asking for why make one individual swear to every dollar's worth of property he has when others make no statement at all. If we are to have equality of taxation—if that is the idea—it seems to me this resolution is upon the proper line. I hope the members of the House will give this matter thorough consideration, and while we are regulating the question of taxation do it properly, fairly and in the interest of all the people and not one special class. I hope the resolution may prevail.

Mr. Eikhoff:

Mr. Speaker, it seems to me that we are beginning to hew from the line that we started off on. It is a question of equal taxation, a question of whether all the people should be taxed alike, and under the same methods. I understand that we have two methods of assessing at the present time. One is assessed upon the valuation and the other is what is considered specific taxation. The Governor in his message has very ably presented to this body the inconsistency of the policy of specific taxation. Is this body in accord with him or not? I believe if we open up the entire question of taxation we will be drifting to unknown shores and will have no place where we can land in safety. I believe we shall keep ourselves down to the one question, whether the people are to be taxed according to property valuation or whether one class is to be taxed according to valuation of property and another according to its earning power. I think that was ably set forth in the proclamation of the Governor and I believe it would be poor policy to adopt any other plan.

Mr. E. W. Moore:

Mr. Speaker, the Governor has called us together in a special session. We are not responsible for being called here. It seems to me if we asked the Governor to call for different legislation from that which he has already asked us to act upon, we will then become responsible for any delay that may occur. While not questioning the policy of being called together, I do not wish for one to assume any more responsibility in regard to the matter. I do not wish to do anything to lengthen out the session unnecessarily. Consequently I am opposed to the resolution.

Mr. Clute:

Mr. Speaker, I understand this subjcet of taxation is to be generally gone into. I understand there are a great many inequalities. If the gentleman from Grand Rapids had introduced this resolution in the beginning of the session I woud have supported it but at the present time I think we have fully as much as we can take care of consequently I oppose the resolution.

Mr. Neidermeier:

Mr. Speaker, I am not in favor of the resolution. If I understand the tax law of the State of Michigan it says that all property must be assessed at its true cash value. If property in Kent Co. has not been

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assessed at its true cash value they want to elect someone who will so assess it. There is no question but what all property should be taxed equally, railroads, telegraph, telephone and express companies. When we do that I think that is sufficient. I think a farmer or a man who owns a house and lot whose property is not assessed at the true cash value you cannot make the law any stronger because it now says it must be.

Mr. Peters:

Mr. Speaker, I hope this resolution will be adopted, in view of the fact that investigation is the order of the day and I do not see why anyone should object to this resolution or into an inquiry into our system of taxation, if it is a fact that we have as a body been called together for the purpose of equalizing taxation. I do not see why anyone should object to the adoption of this resolution. It is true that we are called together to pass a law for the purpose of taxing all corporations equally; but then perhaps some of us are not as intelligent as the gentleman from Wayne. I hope this resolution will be adopted. If there are any further statistics which we can obtain and be governed by, if there is anything upon which we are not enlightened as to the inequality of taxation let us find out. We are here for information.

Mr. Lusk:

It is one thing to comply with the spirit of this resolution and it is quite another thing for the Governor to accede to our request. It is because of this particular language, that I trust that prejudice against all corporations will have no place now in your deliberation. The State of Michigan should be absolutely just, natural and not artificial. Rich or poor, resident or non-residents are entitled to the same treatment before the law. Because of that language of the Governor, I am in sympathy with the spirit and purpose of this resolution. This session, it is true, is extraordinary; but I believe, gentlemen, it requires unusual treatment, and extraordinary judgment. And if we are not disposed, as we are assembled here, to do our whole duty to all these great interests, I am quite satisfied in my own mind that we are not capable of treating the matters already presented for our consideration. I believe, Mr. Speaker, we should go thoroughly and fully and honestly into this whole question, therefore, I am in sympathy with the resolution as presented by the gentleman from Kent.

The question being on the adoption of the resolution,

And the demand for the yeas and nays having been seconded,

The resolution was not adopted, by yeas and nays, as follows:

YEAS.

Mr. Adams	Mr. Fuller	Mr. Perry
Allison	Gillam	Peters
Bates	Graham	Reed
Bemis	Green	Rulison
Caldwell	Gustin	Savage
Camburn	Harris	Sawyer
Connors	Lusk	Shepherd, F.
Cousins	Madill	Smith
Donovan	McGill	Washer
Dudley	Moore, M. G.	Whitney
Fleischhauer	Otis	Speaker
Foote	Peek	

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NAYS.

Mr. Alward	Mr. Dickinson, L. D.	Mr. O'Dett
Andersou	Eikhoff	Pearson
Atkinson	Foster	Petrowsky
Babcock, C. G.	Gibson	Phillips, C. C.
Babcock, H.	Goodell	Phillips, M. F.
Belknap	Goodyear	Powers
Billings	Hammond	Putney
Bricker	Herrig	Scully
Bryan	Hofmeister	Shepard, F. M.
Buskirk	Jackson	Shisler
Cahoon	Kelly	Stewart
Campbell	Kerr	Stoneman
Chamberlain	Kimmis	Tefft
Clark	Marsilje	Van Camp
Clute	Mayer	Vought
Coad	Miller	Weier
Colvin	Molster	Wetherbee
Crippen	Moore. E. W.	Widoe
Davis	Niedermeier	Wing
Dickinson, J. H.	Oberdorffer	Zimmerman

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Mr. Bemis offered the following:

Resolved, That in pursuance of the recommendations contained in the Governor's message, the Speaker appoint a committee of five to visit the State of Indiana and a like committee to visit the State of Ohio, for the purpose of investigating the methods and results of taxing railroad companies, express companies, telegraph companies, and telephone companies in those states, and report to this House not later than the 30th of the present month.

Mr. Bemis:

Mr. Speaker and members of the House: The Governor has recommended to us in his message that we pursue this question of taxation and I learn that he has labored to procure the facts with deliberation and care. And he has recommended to us what we shall especially adopt (I think that is the word used)—particularly. Now, I would say at the outset, meaning exactly what that resolution says—nothing more or less, that it is with the desire to follow out the recommendations made to us by our honorable Governor. Now, it may be stated that we can get all the necessary information from the statutes of those states—from the reports of the various officers connected with the taxation in those states, and through correspondence. I would ask any of you if, after you have investigated as far as you are able along this line, and particularly if you are not an attorney—after, I say, you have investigated as far as possible in this matter, then if you are able to sit down with the officers who have the work of executing those laws, may you not get information on the practical operation of those laws—of the justness and as to the desirability of those laws, that will be available to us, and we could execute a much more intelligent one. Now, I wish to say just a word further, and I sincerely hope that some bill be introduced and may succeed in bringing about one thing at least that the Legislature did not succeed in doing at its regular session: That is.

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bringing the railroad companies that operate under special charter under the same laws that the other railroads are under. Now, some of the members of the House may say that I was not in favor of this, and in answer to that, Mr. Speaker, where I am informed upon a thing this House may expect my vote when I am fairly informed, they may expect my vote on that. On those facts and the others that I have stated.

Mr. Chamberlain:

I understand that some of the best laws in the Union, and in fact in the world, with regard to the taxation of railroads are found in some of the western states, and particularly in the state of the Golden Gate, and I therefore move to amend the resolution by inserting after the word "Ohio" the words "and a like committee to visit the state of California."

The Speaker:

The question is on the amendment that the "state of California" be inserted—the question is on that amendment.

Mr. McGill:

Mr. Speaker and gentlemen of the House: I have not had an opportunity to speak and I would like to say a little something in order that I may get my name in the newspapers of the State.

The Speaker:

That is something unusual.

Mr. McGill:

I desire to say that I am in favor of this resolution, provided the introducer of the resolution will so amend it as to instruct our committee to investigate the great disaster to our navy and to our seamen that recently occurred in the city of Havana.

Mr. Colvin moved to amend the amendment by inserting the words "Australia and Alaska."

Which was not agreed to.

The motion to amend did not then prevail.

The resolution was not then adopted.

Mr. Lusk offered the following:

Resolved, That the Clerk be instructed to draw orders for mileage in accordance with the report of the committee on mileage in the regular session of 1897;

Which was adopted.

Mr. Lusk offered the following:

Resolved, That the entire proceedings of the House be printed in the Legislative Journal, under direction of the clerk, (including stenographic reports prepared by the courtesy of volunteer stenographers, the same being furnished without expense to the State);

Which was adopted.

On motion of Mr. Anderson,

Leave of absence was granted to himself for Thursday and Friday.

Mr. Gustin offered the following:

Resolved, That all bills introduced at this session shall as soon as introduced be printed for the use of the committees.

The Speaker:

The question is on the adoption of the resolution. Are you ready for the question?

Mr. Atkinson:

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Without examining the bill introduced this morning—

The Speaker:

Does the gentleman arise to debate this resolution?

Mr. Atkinson:

I do. I find on examining the bill it corresponds exactly with one introduced yesterday with the exception of one section. Now I hardly think it would be necessary to print both bills, and if the gentleman would amend his resolution in that respect I should be very glad to support him. It is quite a lengthy bill and to print both of them is simply a waste so I would suggest that the resolution be amended in that respect.

Mr. Gustin:

I understand there will be probably more than one or two bills introduced this session, several bills in fact. The session will be short and there should be opportunity for a consideration of the bills by the members as well as before the committees. The members of the House will have nothing to do during the consideration of these bills and they should be in the hands of each one so they may know the contents of all of them. It is justice to the members that the bills at this session should be printed for the use of the members of the House as well as for the committee, and I will insist upon the resolution.

Mr. Atkinson:

I desire to say that I do not intend to object to the gentleman's resolution.

Mr. Smith:

The truth of the matter is I did not have time to suggest the whole bill. There are other things in the bill that I would not approve of. The bill that I introduced I would like to see that section that I am strenuously in favor of printed, and therefore I would be satisfied if Sec. 1, which is changed, only is printed. The balance of the bill is the same as the other.

The Speaker:

The question is on the adoption of the resolution. Are you ready for the question?

The resolution was then adopted.

Mr. Anderson:

I would like to ask leave of absence for Thursday and Friday's sessions of this week.

The Speaker put the request and it was granted by the House.

Mr. Bates moved to reconsider the vote by which the House adopted the following resolution:

Resolved, That the entire proceedings of the House be printed in the Legislative Journal, under direction of the Clerk (including stenographic reports prepared by the courtesy of volunteer stenographers), the same being furnished without expense to the State.

Mr. Bates:

I will make a motion to reconsider the resolution in regard to the printing of the proceedings, and I want to say in connection with this that I have always been in favor personally, and have always desired to have the proceedings of the Legislature printed in extenso in the Journal. I have suggested it several times and the answer to it was that it would be too expensive; my reply to that was that perhaps it would cut off debate,

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that men would be more careful of what they said, and would not talk as much on a single question as they would if it went into the public record. But this question has come up now, and as I said, I am about to introduce a motion to reconsider. It comes up now on the question of establishing a precedent. I am in favor and I believe every man on this floor is perfectly willing to have go to the public every word that he utters. While I do not take up much time of this House, when I do, I consider myself responsible for the words that I say and I am perfectly willing that every word I utter shall be in the public print and become a matter of record, and while these gentlemen who have so kindly consented to render their services without expense to the State, while that I appreciate, there is the question of expense, not only for this comparatively short session—this very short session we are going to have, it establishes a precedent that a future Legislature may act upon.

Now, without discussion this resolution was adopted. It is for the future I am looking out for. It would be a precedent, and whether we want in the future to have every word that is said on all the local bills and every other bill reported, with the long speeches made during a session of five or six months reported at the expense of the State, and, at the next session of the Legislature there would be an effort made for the employment of official stenographers. If that is the desire of the House, if that is the opinion of this present House then of course my motion to reconsider will fail; if, on the other hand, it is not desired to establish a precedent, then I would say in the interest of economy, perhaps we had better reconsider it. Personally, as I stated before, and I desire to repeat with emphasis that anything I may say—and I hope I may not be called upon to say very much—whatever I say I would be very glad to have it made of record, and I move that the motion which was recently adopted may be reconsidered.

Mr. Lusk:

I demand the ayes and nays.

The demand for the yeas and nays was seconded.

Mr. Lusk:

The members of the House no doubt are familiar with the proclamation issued by the Governor, or the invitation, perhaps, for volunteer stenographers to come to this session to make a complete report of the work that was carried on here, the speeches, etc.

Now, I have no fear, gentlemen, of the suggestion made by the gentleman from Genesee that we may possibly establish a precedent by our action here today; indeed, personally, I shall be entirely satisfied if this House does see fit by its action to establish a precedent that may prevail, because I am well convinced of the fact that our Legislative Journal, as we have conducted it in the years past is of comparatively little value to this Legislature or to the people of the State of Michigan.

Now, Mr. Speaker, I am informed five or six gentlemen, in answer to the invitation of the Governor, have come to the city of Lansing and volunteered their services in this respect, consequently in that regard there will be no expense to the State because of their presence and their services here; the only expense will be the printers' expense in preparing this matter for the Journal.

Now, the people of the State are interested in this session of the Legislature—all the people are interested, and while I have no personal

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interest in this subject, no personal desire to take up the space of the Journal, or put any expense on the State in this regard, yet I am quite as willing as the gentleman from Genesee is to go before the people of my district and answer to them for my conduct here, yet I do anticipate the interest the people have in our proceedings here, and that they will desire to see our official action, every word and every action registered in our official organ.

I trust you will not reconsider this resolution, but that you will continue the system we have started here under these circumstances, and I believe that you will be satisfied with the result, as also will the people of the State.

Mr. M. G. Moore:

I would inquire what the cost of this would be relative to the printing.

The Speaker;

That will be difficult to estimate. It all depends upon the number of speeches and the length of them.

Mr. Kimmis:

Mr. Speaker and gentlemen of the House: I agree with every argument that has been made by those speaking in favor of the adoption of this resolution, but there is one point which seems to me to out-weigh them all and should be noticed on the part of those who oppose it, and that is this: While we do not question but that the reports of these gentlemen would be accurate, nevertheless the fact remains they are not officers of the House, they are in nowise responsible to this House, any more than would be the reporter of any newspaper. We have no control over them whatever, and if any person feels himself aggrieved he has no remedy. It seems to me this is a strong point against the resolution; at the same time I concede the force of all the arguments made in its favor, but I think this out-weighs them all.

Mr. Gustin:

Under the resolution as it now stands can we prepare long speeches and send them to the desk with leave to print?

Mr. Lusk:

We shall object to any such proceedings as that.

Mr. Perry:

I hope this motion to reconsider will prevail. I am not in the habit of taking much time on the floor of this House, and now if this resolution prevails and the motion to reconsider does not prevail, and the original resolution stands, how do I know but I will be induced to take up all the time that I can in order to have my name before the public as much as possible, regardless of the expense that it will be to the State of Michigan to have all this wealth of words published at the State's expense, say nothing of the precedent which will be established by having these speeches all taken down stenographically. It is as natural as that water runs down hill that this will be a precedent by which future Legislatures will be guided, and in the future—probably the next Legislature will act on this precedent and have official stenographers and the whole work must be paid for by the State of Michigan. It would make considerable expense to the State, and therefore I trust the motion to reconsider the resolution will prevail, because I think the principle would be a very bad one.

Mr. Sawyer:

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I hope the gentleman will withdraw this motion. The Governor desires this be done and in order to have it go upon the Journal there must be an official stenographer, and if the members know that these proceedings are to be taken they will be more careful what they say and say just what they want to. And it is probable there will be very much less said. And the Journal will be of very much more value if it contains what is said upon the floor. As it is the Journals are printed by dray load and piled upon shelves and never opened, or looked into.

Mr. Perry:

I would like to ask the gentleman how many dray loads more of these old volumes it would make if we printed a report of all that is said here?

Mr. Sawyer:

What would be said upon the floor of the House would form a small portion of the Journal, and if any gentleman has anything to say the reporting of it will protect us in every statement. If any man does not want what he says put upon the record he had better not say it.

Mr. Bemis:

If it comes to the question of the desirability for every member of this House to be put upon record I am absolutely in favor of it, and I make a motion to reconsider. And if this report is to be made it should be done by officers of this House and become part of the official record.

The Chairman:

The Chair will state that the motion is withdrawn.

Mr. Lusk offered the following:

Resolved, That C. H. Bender, J. W. Stockwell, J. P. Langley, and W. A. Brown, be and are hereby designated and recognized as official stenographers of the House by and under the direction of the Clerk.

Mr. Sawyer moved to amend the resolution by adding the following at the end thereof, "during this session of the Legislature only, without expense to the State;"

Which was accepted.

The resolution was then adopted.

Mr. Smith offered the following:

Resolved, That the several stenographers who have kindly and patriotically offered their services gratis, be each allowed ten dollars per day for their services during the session.

Mr. Savage:

When this resolution was first adopted, Mr. Speaker, I understood these gentlemen were coming here without extra compensation. I would like to ask if it is necessary to have this amendment to the resolution that these gentlemen be designated as official stenographers to this House.

The Speaker.

I think it would be necessary to have it on the record, making them official stenographers to be sworn in to come under the control of the Clerk.

Mr. Savage:

Then, Mr. Speaker, if it is necessary to proceed in that way I have nothing to say further upon the resolution. I will simply let the matter go upon what the gentleman from Flint has already stated.

Mr. Graham:

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I am heartily in favor of this amendment that each of these stenographers have a compensation of ten dollars a day. I am opposed to the members of this Legislature either as a body or as individuals receiving free services. I cannot see any difference between members of the Legislature receiving passes on railroads and receiving free services of the stenographers. Not long ago they came before this Legislature asking for special legislation, only last session, and next session of the Legislature they may be here asking increase of salary for other privileges. I am heartily in favor of compensating them.

Mr. Bemis:

I would like to know if these gentlemen are here offering their services to this House? If they are to receive any pay for their services not from this House from what source are they to be paid? It seems to me there is a little complication in this matter. If there is any member here who is going to talk too much and they propose to put some gag upon him to prevent him I do not want to be put upon record as voting for it. I hope in the name of the Lord there is no member in this House who will not be permitted to say what he wants to from fear of being put upon record and I think that every member of this House is fearless and honest in his intentions. If this House wants every word of every member reported we ought not to be beggars and ask that it be done for nothing. I pay for what I have as an American citizen and I think every member of the House does the same.

Mr. Wetherbee:

If I thought for a moment that the stenographers were to work without compensation I certainly would be opposed to it, but I believe they are being compensated from their respective Circuits while they are at work taking these proceedings, and the people are paying them by the day when they are not actually engaged. That is my understanding of this matter. These gentlemen came here and volunteered their services. If I want to give my services to anybody it is nobody's business. I believe the matter of compensation ought to be defeated.

Mr. Peters:

As to the resolution from the gentleman from Houghton relative to stenographers, to take down every word to be said at the pending session, without compensation, is not right or just for any man—a clerk or individual or a corporation or a legislative body. They have spent their money and time in learning and studying this profession, and even did they come here and volunteer to work for the State of Michigan, our patriotism should excel theirs and we should pay them for the services rendered. Perhaps others may say they have been treated kindly by individuals and corporations; if they have, perhaps they appreciate it. And I believe that these men will appreciate the fact of the Legislature of the State of Michigan paying them for services rendered. Let us not be penurious in this matter—let us say "come here and do your work—put these men on record, and put down every word they say, so that it may go to their constituents." And let us pay them for coming here, and telling our constituents what we have said and what we have done—our action on the floor of this House: and I am sure that it will be appreciated.

Mr. Lusk:

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I rise to a point of order. The original resolution provided that the services of these stenographers was a voluntary service, and that it should be received. The original resolution which we have adopted, provided that this service was a voluntary service and should be received without expense to the State. Therefore, I think this question is out of order.

Mr. Peters:

The gentleman is out of order. For what purpose does the gentleman desire the floor at the present time. To amend the resolution.

Mr. Speaker:

The gentleman is out of order.

Mr. Peters:

I would like to ask a question. Is there anything in order—to pay those stenographers ten dollars a day.

Mr. Speaker:

I will entertain a resolution to pay them ten dollars a day.

Mr. Smith:

I offer an amended resolution:

"Resolved, That the several stenographers who have kindly and patriotically offered their services gratis, be each allowed ten dollars a day for their services during this session."

Mr. Perry:

I would ask for the yeas and nays.

Mr. Peters:

I would like to know whether the Chair would entertain a motion to refer it.

The Speaker:

It is in order.

Mr. Peters:

I move that it be referred to the committee on Revision of Statistics.

Mr. Smith:

It is hoped that will not be done. I think it must be an attempt to smother my resolution. Now, I thoroughly believe that it would be more dignified—that it would be better, and that you could get better service, and it will be more full for the press of the State. We should adopt a regular curriculum, and it does not look well for us to receive or to employ the services of four gentlemen, which must be worth a good deal, for nothing. I hope that the good sense of this House will allow some compensation. The rate given is very low. I do not wish to burden the State with any great bill, but ten dollars a day—forty dollars during the session would not in my opinion prevent the election of any member here or prevent him from coming back if his own speech were reported by a competent stenographer—he will get back here, and he ought not to try to save forty dollars to feather his own nest. Now, I believe it would be good sense, wisdom, and the proper thing to allow this compensation for these services, especially as it is believed that they will be of great importance to us, and to future legislators.

Mr. Dudley:

I move that the ten be stricket out.

The Speaker:

I cannot entertain that at this time.

Mr. Molster:

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I move that the resolution be referred to the committee on Ways and Means.

Mr. Colvin:

I hope there is no one figuring to get back to this Legislature. And if that is the case, it would be a benefit to the people of the State of Michigan if it were the first bill passed.

Mr. M. G. Moore:

I hope that will not occur because I want to vote on this right here. I believe if this must be at all, that it will be brought up at some future day, and I believe that it should be settled right now.

The amendment to the motion to commit was not agreed to.

The motion to refer the resolution did not prevail.

Mr. Moore:

I oppose this resolution. The first reason is, these stenographers are getting pay at this time—are receiving compensation from the State of Michigan. Now, they have volunteered their services in answer to a proclamation by the Governor. Now, this House saw fit to do this. Now, I believe that inasmuch as they have volunteered their services in answer to that call, I believe we have no right to vote their receiving compensation at this time. I do not believe in a man receiving several different kinds of pay from the State. I believe one salary ought to satisfy him.

Mr. Dudley:

I move this resolution be so amended that it shall read that one stenographer shall be employed by this House and receive ten dollars a day.

The Speaker:

The House has already provided for the stenographers, and the chair would not want to designate which one was to receive the ten dollars.

The question being on the adoption of the resolution,

Pending the vote thereon,

On motion of Mr. Gillam

The House took a recess until 2 o'clock this afternoon.

AFTERNOON SESSION.

2 o'clock p. m.

The House met and was called to order by the Speaker.

Roll called: quorum present.

Sergeant-at-Arms William E. Stocking and House stenographers, C. H. Bender, J. W. Stockwell, J. P. Langley and W. A. Brown, appeared at the Speaker's desk, took and subscribed the constitutional oath of office and entered upon their respective duties.

The pending question when the House took recess, being the consideration of the following:

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Resolved, That the several stenographers who have kindly and patriotically offered their services gratis, be each allowed ten dollars per day for their services.

Pending discussion,

The Speaker:

Are you ready for the question?

Mr. Clute:

We all know that there has been an understanding all over the State that the proceedings of this special session should be known. Not only that, but that they should be known reliably and officially so that the people would know what was being done. Now if these gentlemen have patriotically come forward and offered their services, then I protest against the adoption of this resolution. It is a slur upon their patriotism. If we are to measure their patriotism by the patriotism on Wall street, then adopt this resolution. If not, then I protest against it as an insult to these gentlemen. I demand the yeas and nays.

The demand was seconded, and pending the vote on the question,

Mr. M. G. Moore:

Mr. Speaker, I supposed this forenoon when a resolution of this kind was defeated that that would end the matter, but it seems it does not. I for one am opposed to paying these stenographers $10.00 a day. The Governor asked the stenographers in the several judicial circuits to come here and give their services gratuitously. The House didn't call for these gentlemen, other parties called them here and it seems to me they have answered the Governor's proclamation and have come here to do this work and it seems to me it is wrong to pay them $10.00 a day, and I hope the motion will not prevail. If this is going to be an economical session we had better begin.

Mr. Lusk:

Mr. Speaker: Perhaps all the members do not fully understand this matter. When the request was sent out these gentlemen responded because it did not interfere with their duties in the several judicial circuits where they are located. They are here, I understand giving their services to the State because their services are not required elsewhere. Under the circumstances I would not be in favor of paying them a per diem. Perhaps later in the session we may feel justified in compensating the gentlemen by paying their railroad fare and other expenses, and I believe the resolution should not be adopted.

The Speaker:

The several stenographers, I will say, have just now taken the oath of office and have sworn to discharge their duties faithfully during the session.

The question again being on the adoption of the resolution and the demand having been seconded,

The resolution was not adopted, by yeas and nays, as follows:

YEAS.

Mr. Chamberlain	Mr. Peek	Mr. Rulison
Fuller	Peters	Shepherd, F.
Graham	Reed	Smith

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NAYS.

Mr. Adams	Mr. Eikhoff	Mr. O'Dett
Allison	Fleischhauer	Otis
Alward	Foote	Pearson
Anderson	Gibson	Perry
Atkinson	Gillam	Petrowsky
Babcock, C. G.	Goodell	Phillips, C. C.
Babcock, H.	Goodyear	Phillips, M. F.
Bates	Green	Powers
Bemis	Gustin	Putney
Billings	Hammond	Savage
Bricker	Harris	Sawyer
Bryan	Herrig	Scully
Buskirk	Hofmeister	Shepard, F. M.
Cahoon	Jackson	Shisler
Caldwell	Kelly	Stewart
Camburn	Kerr	Stoneman
Campbell	Kimmis	Tefft
Clark	Lusk	Van Camp
Clute	Madill	Vought
Coad	Marsilje	Washer
Colvin	Mayer	Weier
Connors	McGill	Wetherbee
Cousins	Miller	Whitney
Crippen	Molster	Widoe
Davis	Moore, E. W.	Wing
Dickinson, J. H.	Moore, M. G.	Zimmerman
Donovan	Niedermeier	Speaker
Dudley	Oberdorffer	

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Mr. Chamberlain offered the following:

Resolved, That the official stenographers of this House be allowed the sum of five dollars per day during the balance of this session.

Mr. Chamberlain:

Mr. Speaker: While these gentlemen have kindly volunteered their services I do not apprehend that the House is anxious to have them remain here and do our work for nothing at their own expense with the paraphernalia and books that they are obliged to buy and other expenses. I do not see why there should be any objection to the adoption of this resolution.

On motion of Mr. Lusk

The resolution was laid on the table.

Mr. Bates offered the following:

Resolved, That the official stenographers, under the direction of the Clerk of the House, be requested to attend the meetings of the committee on Revision of the Laws and report from session to session of this House the entire proceedings of said committee for the information of the House;

Which was adopted.

Mr. Gustin offered the following:

Resolved, that the Secretary of State be requested to furnish each member of the House with a copy of the "Michigan Manual" for 1897;

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Which was adopted.

Mr. Crippen offered the following resolution:

Resolved, That the Ways and Means committee act jointly with the committee on Revision of Statute in considering all bills referred to the committee.

The Speaker:

The question is on the adoption of this resolution.

Mr. Kelly:

I hope that resolution will not prevail, I cannot see where there will be any help whatever. It seems to me that it would be a foolish waste of time, and a complication of matters now before this House for consideration. I think that the committee, with the bill which is to be considered by this House is fully competent to consider that measure and report it back to this House for consideration at the proper time; and it seems to me to enlarge that committee by combining it with any other committee of the House will not only delay the consideration of that important measure, but it will result in absolutely nothing being accomplished. I hope that in connection with this matter at this time that the members realize that we are here under a special call and for a specific purpose. I hope that every member of the House will take the position that that measure that is being considered here will receive honest and fair consideration, and that every member will have the honesty of his convictions, and a determination to declare himself either for or against that measure. I finally desire to have the measure brought before this House just as soon as possible, and while I am a member of the Ways and Means committee, I wish to state that I believe it will be folly to have that committee on the Revision of Laws which is specifically selected for matters that shall come before that committee, and I hope the resolution will not prevail and that it lie upon the table.

The resolution was not then adopted.

Mr. Gillam offered the following:

Resolved, That a public hearing, in the hall of the House, on the various bills relating to the assessment of railroad and other corporate property, and taxation thereof, be held beginning Friday morning next before a joint meeting of the committees to whom such bills have been referred; which meeting shall begin at the conclusion of the routine business of the regular morning session, and that all persons interested in said bills be invited to attend said hearing, and that they be afforded full opportunity to be heard upon said bills.

Mr. Phillips:

I do not understand the resolution.

(Resolution re-read by the Clerk.)

Mr. Atkinson:

This resolution, I think, will facilitate the business of the session, if all the committees meet here on the floor of the House and hear the arguments which may be offered by interested parties upon these bills, and all the members can hear what is said; there will be a fund of information gathered that will be quite valuable to the members of the House; and while I should prefer myself to have the hearing on Thursday evening, as was arranged by the committee on the Revision of Statutes, I am informed by some of the gentlemen who are on the committee appointed by the Senate that they have engagements on Thursday evening which

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would make it impossible for most of them to be here; but, they can all be here on Friday morning, and they have signified their wish to sit here with the committies appointed by the House and hear the public arguments that are made upon this bill. So, I trust this resolution may be passed; and I may express the wish also that when the hearing is had, all the members—every one of them that can possibly spare the time—shall make it a point to be here and listen to the arguments that are made.

Mr. Gustin:

I hope this resolution will prevail. I believe it will expedite matters to have a joint meeting giving an opportunity for everybody to be heard and then we can act—all the committees who have these bills before them can act—with considerable light and more intelligently than if they held meetings separately; and there is a confusion of meetings.

Mr. Lusk:

This resolution does not provide that it shall be taken up at any specified time.

The Speaker:

It will be immediately following the regular order. The House will meet at ten o'clock and we can adjourn very soon thereafter.

Mr. Lusk:

Would it not be desirable to fix the hour at ten thirty for the hearing? I move to amend the resolution by striking out the words "the conclusion of the routine business of the regular morning session," and inserting in lieu thereof the words "10:30 o'clock a. m.";

Which was agreed to.

The resolution as amended was then adopted.

Mr. Dudley offered the following resolution:

Resolved, That the Secretary of State be requested to furnish to each one of the newspaper reporters and official stenographers of the House copies of the "Michigan Manual" for the year 1897;

Which was adopted.

PRESENTATION OF PETITIONS.

No. 1. By Mr. Wetherbee: Very numerous petitions from all portions of the State, containing 59,250 signatures.

On demand of Mr. Wetherbee the body of one of the petitions was read at large and ordered spread at length upon the Journal, as follows:

To the Honorable Senate and House of Represenatives of the State of Michigan:

We, the undersigned, being residents of the Senatorial District No. 1 and Representative District No. 1, respectfully petition your honorable body to enact into a law at the present special session of the Legislature, a bill advocated by the Governor of this State, for the proper and just taxation of railroads, telegraph and telephone companies' property, for the reason that it is not just for us to pay more taxes on a dollar's worth of property than they do. We condemn the tax on gross income now applied to railroads as unfair, permitting them to pay a small amount in hard times when their incomes are less, but compelling us to pay the same amount whether the times are good or bad.

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We protest against any delay in the matter of passing this law at the present session as being unnecessary and the cause of great loss to the State and taxpayers.

The several petitions were referred to the joint committees on Revision and Amendment of the Statutes, Railroads, and General Taxation.

The Speaker announced the following:

Lansing, Mich., March 22, '98.

To the Honorable Speaker and House of Representatives:

Gentlemen—Owing to my appointment as postmaster by the President of the United States and my acceptance of the same, I am debarred from holding my seat in the Legislature. Therefore I hereby tender my resignation as a member of this House.

With many kind remembrances to all, I am

Yours truly,

E. S. WILLIAMS,

2d Dist., Berrien Co., Mich.

Mr. Putney presented a petition, which was read by the Clerk.

The Speaker:

The Chair rules that out of order. It does not come within the matter before the House at all.

(The Clerk announced a similar petition.)

The Speaker:

It will be returned to the gentleman from Antrim. What is the pleasure of the House?

Mr. Wetherbee:

I move we adjourn.

The Speaker:

The Chair is desirous and urgently requests every member of the House to be present at the hearing of the committees on Friday at 10:30 and to remain as long as that hearing continues.

Mr. Colvin:

I would like to see if we could not stay and do something from now until night. There is a large amount of gas to be burned off.

The Speaker:

If the gentleman from Saginaw can suggest any work before the House to do the Members will be glad to attend to it.

Mr. Colvin:

There are lots of them who would like to talk about the bills that are to come up.

The Speaker:

That would not be in order. There is no question before the House.

The motion to adjourn then prevailed.

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Lansing, Thursday, March 24, 1898.

The House met pursuant to adjournment and was called to order by the Speaker.

Roll called: quorum present.

Absent without leave: Messrs. Campbell, Foster, McGill and Wetherbee.

On motion of Mr. Shisler,

Leave of absence was granted to Mr. McGill for today and Friday.

On motion of Mr. Miller,

Leave of absence was granted to Mr. Campbell for the day.

The Speaker announced the following:

Hon. W. D. Gordon, Speaker:

Dear Sir—In order to show our appreciation of the necessity of curtailing the expenses of this extraordinary session, and to do our part toward reducing the expenses of this session to a minimum, we the undersigned clerks do hereby tender our resignations as clerks of our respective committees, same to take effect at noon the 28th day of March.

Chas. H. Pratt,
S. F. Johnson,
C. W. Malloch.

The Speaker also announced the following:

HOUSE OF REPRESENTATIVES,
Lansing, Mich., March 22, 1898.

To the Speaker:

Pursuant to the provisions of Act of 1897 and the rule of the House adopted in connection therewith, I have appointed F. W. Redfern, former enrollment clerk of the House as proofreader on my staff.

Lewis M. Miller,
Clerk.

The Speaker also announced the following:

Lansing, Mich., March 24, 1898.

To the Speaker of the House or Representatives:

Sir—Pursuant to an Act authorizing me to do so, I have made the following appointments:

First Assistant Sergeant-at-Arms, Tyler Carmer, Hart.
Second Assistant Sergeant-at-Arms, J. O. Palmer, West Bay City.
Third Assistant Sergeant-at-Arms, Henry Truax, Grand Rapids.
Sergeant-at-Arms' Messenger, Charles M. Otis, Kibbies.

W. E. Stocking,
Sergeant-at-Arms.

The Speaker:

I will state to the members of the House I received the resignation of Representative Williams of Berrien county yesterday, but it was not

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read to the House, it was placed upon the Journal, and you will find it upon the Journal of yesterday.

REPORTS OF STANDING COMMITTEES.

By the committee on Revision and Amendment of our Present Statutes:

The committee has agreed upon and appointed Harry A. Silsbee as its clerk in accordance with the rules of the House, said appointment to date from the 22d inst.

John Atkinson,
Chairman.

Report accepted.

INTRODUCTION OF BILLS.

Mr. Foote, unanimous consent having been given and leave being granted, introduced

House bill No. 4, entitled

A bill to repeal act No. 42 of the Legislature of Michigan, passed at the annual session of 1846, entitled "An act to authorize the sale of the Central Railroad and to incorporate the Michigan Central Railroad Company," approved March 28th, 1846, and to designate a board to adjust any claim for damages on account of said repeal, and to authorize the incorporation of said railroad company under the general railroad laws of this State, for the purpose of subjecting said railroad company to the general railroad taxation laws of this State, and all other general laws.

The bill was read a first and second time by its title and referred to the committee on Railroads.

MOTIONS AND RESOLUTIONS.

Mr. Dudley offered the following:

Resolved, That the State printer be instructed to print 2,500 copies of the Journal of the House daily.

Mr. Dudley:

There is not at the present time a single copy of the Journal to be secured to send out to any one who may desire them among our constituents. There has only been, as I understand it, fifteen hundred of the Journals ordered, and there is a shortage, as near as I can ascertain, of from five hundred to a thousand. I think it is wise that this resolution should pass.

The resolution was then adopted.

Mr. Zimmerman offered the following:

Resolved, That the daily reading of the Journal by the Clerk of the House be dispensed with, and the rule requiring the same be and is hereby suspended during this session; the Clerk of the House is hereby authorized and directed to make such corrections in the Journal as from day to day may become necessary;

Which was adopted.

The Clerk:

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I will say in regard to this resolution, as I did at the other session; I wish the members would watch their own records on the Journal, and when there is anything wrong, either call my attention or that of the Journal Clerk to the same.

In reference to these speeches and debates that are entered upon the Journal, I will state that the Clerk will consider it his duty and privilege to make clerical corrections. Any correction that is asked for by a member that changes or varies the context of the speech or remarks made, of course, I should decline to make; that is a matter he would have to leave to the House if he claims he is incorrectly reported. Please bear in mind that mere clerical corrections I will make, but nothing that varies the context of the remarks as reported by the official stenographers.

Mr. F. Shepherd offered the following concurrent resolution:

Resolved by the House of Representatives (the Senate concurring), That whenever the Legislature shall be called to meet in extraordinary session, the Secretary of the Senate shall notify to be present at the opening of the session such of the clerks and employes of the Senate as the President of the Senate may designate, and the clerk of the House shall in like manner notify such of the clerks and employes of the House as the Speaker may designate.

Pending the order that the resolution lie over one day under the rules,

On motion of Mr. F. Shepherd,

The resolution was referred to the committee on Rules and Joint Rules.

Mr. Adams offered the following:

Whereas, The taxable property of the State is, under the operation of the existing tax laws very unequally assessed, much of it being secreted from the tax assessors altogether, in some counties, towns and cities property finding its way upon the tax rolls being assessed at a very small percentage of its true market value and some at very near its true value; therefore, be it

Resolved (the Senate concurring), That His Excellency, the Governor be and is hereby respectfully requested to recommend by special message the consideration of the question of the taxation of fast freight and all transportation, corporate and individual property of the State, to the end that all property in this State by whomsoever owned shall be spread upon our tax rolls at its true market value in fact, and bear its just and fair proportion of the public burden.

Laid over one day under the rules.

Mr. Stoneman offered the following:

Resolved, That the Secretary of State be instructed to furnish each member of the House of Representatives with a copy of the public acts of 1897;

Which was adopted.

On motion of Mr. Chamberlain,

The House took a recess until 2 o'clock this afternoon.

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AFTERNOON SESSION.

2 o'clock p. m.

The House met and was called to order by the Speaker.

Roll called: quorum present.

Henry M. Truax, this day appointed Third Assistant Sergeant-at-Arms, appeared at the Speaker's desk, took and subscribed the constitutional oath of office, and entered upon his duties.

Mr. Lusk offered the following:

Whereas, the Michigan Legislature in regular biennial session assembled, one year ago, expressed its sympathy for the Cuban insurgents in their struggle for independence, and

Whereas, War still continues on the island of Cuba, presenting the most horrible, pitiable, and revolting conditions, and calling forth expressions of sympathy from all mankind,

Resolved (the Senate concurring), That our sympathy for these afflicted people is hereby again renewed and our hope re-affirmed that war, desolation and death will speedily end on that unfortunate island and the boone of independence be again an established fact.

Resolved, further, That we express our highest appreciation of the policy pursued by President McKinley, assert our confidence in his calm, prudent, patriotic leadership; congratulate the congress of the United States on the unanimity of their courageous action taken on the emergency war measure, and hereby assure the national administration that should war come, Michigan will quickly respond as in "sixty-one" and furnish her quota of brave and loyal sons to keep step to the music of the Union.

Resolved, That a copy of these resolutions be forwarded by the Secretary of State to President McKinley and the President of the National Senate and the Speaker of the House for communication to those respective bodies.

Pending the order that the resolution lie over one day under the rules,

On motion of Mr. Lusk,

The rules were suspended, two-thirds of all the members present voting therefor, and the resolution was put upon its immediate consideration.

Mr. Lusk:

I fully appreciate the fact that words are unnecessary in endorsement of this resolution from any member of this House; in fact, Mr. Speaker, I was not sure that any member on the floor of this House entertained a desire to introduce such a resolution until in conversation with my esteemed colleague, Mr. Zimmerman, this morning. He intimated to me a desire upon his part to introduce such a resolution. I take occasion now perhaps, to apoligize to him for this hasty action on my part; but yet I may be pardoned by explaining this fact, because of this war in Cuba and the presence in the harbor of Havana of one of our national war-ships, the Maine, two young men with whom I was well acquainted went down to their untimely and sad death, because of the accident or other circumstance which occasioned the loss of that battle ship, and another nearly lost his life on that occasion, and so I may be pardoned perhaps in anticipating the desire of my friend and brother

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Zimmerman in the introduction of this resolution. I am sure that this House representing its full quota of the patriotism and loyalty of our magnificent State will share in the expressions of sympathy and the patriotism that are embodied in those hastily written words. I do not desire to submit further words, Mr. Speaker, but I will ask for the indulgence of the House before our final adjournment by presenting suitable resolutions of sympathy and condolence to the families of the young men who loyally represented our State in that horrible calamity in the harbor of Havana.

Mr. Zimmerman:

I accept what the gentleman from Bay has said, and I wish to say I do not desire any credit for thinking that the administration should be endorsed in the policy it is pursuing. I am glad my friend and seat-mate has drafted this resolution, it is in accordance with my views and with my sympathies, and I think in accordance with the views and sympathies of every patriotic American. I am heartily in accord in spirit and in letter with this resolution, and I hope therefore it will be passed, and emphatically endorsed, as was the appropriation bill recently pasesd by our national Congress.

Mr. Kimmis:

I rise for the purpose of suggesting simply one amendment. I wish that one word in those resolutions might be changed. The gentleman from Bay states that they were written hastily. I move you, sir, that the word "insurgents" be changed to the word "patriots," that they be called not Cuban insurgents, but Cuban patriots.

Mr. Lusk:

I certainly am very glad to accept the sentiment, and the suggestion of the gentleman from Oakland.

The Speaker:

The gentleman from Bay accepts the amendment. There is no objection to its being so changed.

The question being on the adoption of the resolution,

The resolution was adopted.

Mr. Bates offered the following:

Whereas, The House by resolution adopted yesterday, provided for a report by the official stenographers of the House of the proceedings of the committee on Revision and Amendment of the Statutes, under direction of the Clerk, therefore

Resolved, That the clerk be authorized and directed to print such reports in connection with the daily Journal of the House.

Mr. Bates:

All that I want to say is this, the object of that resolution was to get before the House all the information that was gained on the floor or in the committee, wherever it should be obtainable, that we should have all the information possible on this very important question, and the Clerk informs me that unless such a resolution as this is passed, that probably he might not have the authority to print it in the Journal. I am inclined personally to take exception to our Clerk's views, but at the same time the object is simply to have before us all the information, and so I offer the resolution.

Mr. Atkinson:

I should like to hear that resolution read again.

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The resolution was again read.

The question being on the adoption of the resolution,

The resolution was adopted.

Mr. Adams offered the following:

Whereas, The taxable property of this State is unequally and unequitably assessed under the present tax laws of this State, and as a result a large percentage of the personal property owned in this State is being successfully hidden from the tax assessors altogether, and the real and personal property which does find its way on the tax rolls is assessed at from one-fourth to three-fourths its true value, varying according to custom in the different towns and counties; and

Whereas, It is desirable that the time of this House be utilized in the consideration of the question of equal and equitable taxation of other property not now incorporated in the railroad bills pending, while awaiting action on the part of the Senate upon said measures; therefore, be it

Resolved, That His Excellency, the Governor, be and he is hereby respectfully requested to recommend by special message consideration of the question of the taxation of fast freight, transfer and all transportation companies, insurance companies, oil companies, and all corporate and individual property in this State to the end that all of said property in this State by whomsoever owned shall be placed upon our tax rolls at its true value uniformly and without discrimination, and that all persons whether natural or artificial, rich or poor, shall bear their just and fair share of the public burdens; and be it further

Resolved, That the Governor so time the introduction of his message that this body may take up such measures immediately upon disposal of the railroad tax bills now under consideration.

Mr. Atkinson:

I rise to ask if this is the same resolution upon which we voted yesterday.

The Speaker:

It appears to be from the reading of it, substantially the same.

Mr. Adams:

This resolution is not open to the charge to attempt to side track the present bill before us. This resolution covers that point and avoids any such charge of being made.

Mr. Atkinson:

I would like to hear it read again then.

The resolution was again read.

Mr. Atkinson:

I hope this resolution will receive the same kind of treatment that it received from the House yesterday. The object of this resolution, as I understand it, is to encourage certain persons who are opposed to the equalization of taxes, with the object in view that if by any means the bill to equalize the taxes can be defeated, then the Senatorial plan of a commission be introduced. Now, I again appeal to those who are in favor of equalization of taxes in this House to assert themselves and not be side tracked by any such resolution. So far as I am concerned, I have come here to legislate and not to ask somebody else to legislate who will be elected in the future. This resolution, of course, upon the face of it leaves the matter entirely to the Governor, but still it is to be used as an excuse for not passing bills, so as to lead to a commission

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afterwards. We are called upon by the people of the State of Michigan, and we have no right to transmit to any one body the privilege of doing our duty, but are required to do it now, so that I trust that this resolution, even if we are to be confronted with the situation of having that presented every time the House meets, will be defeated, as it was defeated on a former vote.

Mr. Chamberlain:

It strikes me that the subject matter of this resolution ought not to be presented for the consideration of this House until after the bills already introduced have been passed upon. I therefore move you, Mr. Speaker, that the resolution do lie upon the table.

Mr. Atkinson demanded the yeas and nays.

The demand was seconded.

Mr. Lusk:

I would like to ask the gentleman from Wayne if the words "disposed of" were stricken out of this resolution, and in lieu thereof the words "until the passage of House bill, known as House bill No. 1" should be inserted, that would be agreeable to the gentleman from Wayne.

Mr. Atkinson:

If it read "until passage of House bill No. 1," no, but if it is "until its passage" by both branches of the Legislature, then I will have no objections.

Mr. Lusk:

I move to insert those words.

The Speaker:

The gentleman from Bay, Mr. Lusk, moves to strike out the words "disposed of" from the bill. I shall rule the motion is out of order.

Mr. Adams:

I desire that the resolution be read before this vote is taken. I desire that each member understand it.

The resolution was again read.

The question being on laying the resolution on the table, and the demand for the yeas and nays having been seconded,

The motion prevailed by yeas and nays, as follows:

YEAS.

Mr. Adams	Mr. Dickinson, J. H.	Mr. Oberdorffer
Alward	Dickinson, L. D.	O'Dett
Atkinson	Donovan	Pearson
Babcock, C. G.	Eikhoff	Petrowsky
Babcock, H.	Gibson	Phillips, C. C.
Belknap	Goodell	Phillips, M. F.
Billings	Goodyear	Powers
Bricker	Hammond	Putney
Bryan	Herrig	Reed
Buskirk	Hofmeister	Scully
Cahoon	Jackson	Shepard, F. M.
Camburn	Kimmis	Shisler
Chamberlain	Kerr	Stewart
Clark	Marsil[illegible]	Stoneman
Clute	Mayer	Tefft
Coad	Miller	Van Camp

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Mr. Colvin	Mr. Molster	Mr. Vought
Crippen	Moore, E. W.	Weier
Davis	Niedermeier	Widoe

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NAYS.

Mr. Allison	Mr. Graham	Mr. Peters
Bates	Green	Rulison
Bemis	Gustin	Savage
Caldwell	Harris	Sawyer
Connors	Lusk	Shepherd, F.
Cousins	Madill	Smith
Dudley	Moore, M. G.	Washer
Fleischhauer	Otis	Whitney
Foote	Peek	Zimmerman
Fuller	Perry	Speaker
Gillam		

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Mr. Adams:

I move to reconsider the vote by which this resolution was laid upon the table and in support of that motion I desire to call the attention of the members to the resolution.

The Speaker:

I cannot entertain the motion it is not in order; when a bill is tabled the proper motion is to take the bill from the table and a motion to reconsider will not be entertained.

Mr. Adams:

Mr. Speaker, I at this time move that the resolution be taken from the table.

The Speaker:

The chair will not entertain that motion. The gentleman from Kent is not in order. There has been no intervening business.

Mr. Gillam offered the following:

Whereas, The committees of the Senate having in charge various bills relative to the taxation of railroad and other corporate property have signified that the time fixed by House resolution for the public hearing upon such bills, does not meet their convenience; therefore

Resolved, That the public hearing upon such bills shall begin at 7 o'clock this evening in this chamber;

Which was adopted.

The House took up the regular order.

PRESENTATION OF PETITIONS.

No. 2. By Mr. Colvin: Petition of Grant Wilson and 26 other citizens of Brant, Saginaw county, for the passage of bills requiring railroads and other corporations to pay the same proportion of taxes as individuals.

Referred to the committee on Railroads.

No. 3. By Mr. Jackson: Petition of J. R. Morrison and 225 other citizens of Ovid, Clinton county, for a law for the relief of taxpayers.

Referred to the committee on Revision of Statutes.

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REPORTS OF STANDING COMMITTEES.

By the committee on General Taxation:

The committee on General Taxation beg leave to report that they have re-appointed Albert E. Manning as clerk and stenographer of said committee.

H. K. Gustin,
Chairman.

Report accepted.

INTRODUCTION OF BILLS.

Mr. C. C. Phillips, unanimous consent having been given and leave being granted, introduced

House bill No. 5, entitled

A bill to amend section 2 of act 140 of the session laws of 1867, the same being chapter 103 of Howell's annotated statutes, relative to the licensing and taxing of express companies incorporated in other states.

The bill was read a first and second time by its title and referred to the committee on Revision of the Statutes.

Mr. Bemis, unanimous consent having been given and leave being granted, introduced

House bill No. 6, entitled

A bill to amend section 3 of article 3 of act 198, session laws of 1873, as amended by act 45, public acts of 1879, as amended by act 174, public acts 1891, as amended by act 129, public acts of 1893, as amended by act 228 of the public acts of 1897, entitled "An act to revise the laws providing for the incorporation of railroad companies, and to regulate the running and management, and to fix the duties and liabilities of all said roads and other corporations, owning or operating any railroad in this State," approved May 1, 1873, being compiler's section 3360, Howell's Annotated Statutes of Michigan.

The bill was read a first and second time by its title and referred to the committee on Railroads.

Mr. Green, unanimous consent having been given and leave being granted, introduced

House bill No. 7, entitled

A bill to provide for the local taxation of express companies.

The bill was read a first and second time by its title and referred to the committee on private corporations.

Mr. Green, unanimous consent having been given and leave being granted, introduced

House bill No. 8, entitled

A bill to provide for the local taxation of telephone companies.

The bill was read a first and second time by its title and referred to the committee on private corporations.

Mr. Green, unanimous consent having been given and leave being granted, introduced

House bill No. 9, entitled

A bill to provide for the local taxation of telegraph companies.

The bill was read a first and second time by its title and referred to the committee on private corporations.

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Mr. Adams:

Mr. Speaker, I move, sir, that my resolution be taken from the table.

The Speaker:

The gentleman moves to take from the table the resolution introduced by him this afternoon and placed upon the table. Are you ready for the question?

The following is the resolution:

Whereas, The taxable property of this State is unequally and inequitably assessed under the present tax laws of this State, and as a result a large percentage of the personal property owned in this State is being successfully hidden from the tax assessors altogether, and the real and personal property which does find its way on the tax rolls is being assessed at from one-fourth to three-fourths its true value, varying according to custom in the different towns and counties; and

Whereas, It is desirable that the time of this House be utilized in the consideration of the question of equal and equitable taxation of other property not now incorporated in the railroad bills pending, while awaiting action on the part of the Senate upon said measures; therefore, be it

Resolved, That His Excellency, the Governor, be and he is hereby respectfully requested to recommend by special message consideration of the question of the taxation of fast freight, transfer and all transportation companies, insurance companies, oil companies, and all corporate and individual property in this State to the end that all of said property in this State by whomsoever owned shall be placed upon our tax rolls at its true value uniformly and without discrimination, and that all persons whether natural or artificial, rich or poor, shall bear their just and fair share of the public burdens; and be it further

Resolved, That the Governor so time the introduction of his message that this body may take up such measures immediately upon disposal of the railroad tax bills now under consideration.

Mr. Adams:

Yesterday upon the introduction of a similar resolution a charge was very cunningly made that it was an attempt to sidetrack others already presented at this session. I denied that intent as strongly as words could deny it. I now call upon the record that I made as to the denial of any such intent on my part. The members of the House will within a few days have disposed of these railroad measures, and will be sitting here in idleness drawing pay from the public treasury awaiting the action of the Senate. I now submit it is fair and just that we take up such measures as our honored Governor sees fit to submit in the line of taxation of property, and along the line of equal taxation of property. It is useless at this time to sit here eating the bread of idleness drawn from the public treasury. I now wish to call attention to one clause of the resolution "Be it further resolved that the Governor shall introduce, and time the introduction of his message, that this body may take up such measures immediately upon the disposal of the railroad tax bills now under consideration." Can there be anything fairer than that? That clause is there for the express purpose of preventing any such cunningly devised charge as my brother from Wayne sees fit to make. Every resolution, every motion, every bill presented to this House, the one bearing his name, is the only one. I want to know if the members of this body desire to be sent back to their constituents with the

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record that they are not in favor of equal and equitable taxation. Do you mean to say that to your constituents? You have said it. I believe if the members who voted to table that resolution would stop for a moment and see the position that they have taken, that they would be glad to take the resolution and give it proper treatment. I offer this resolution and make the statement that I am hurling back the slander which has been cast at our honored Governor. That resolution simply requests recognition from him along this broader line. It interferes in no possible way with the legislation he has already proposed. The members here say that they dare not trust the Governor of this State to present his recommendations at the opportune and proper time. It is entirely within his province and power to submit his message when he chooses. He certainly has tact enough to submit it at a time when it will not interfere with the measure devised by himself.

If we choose to sit here idly and draw our pay then let us absolutely refuse to be fair. We all admit that taxes are not equitably and equally assessed, nad yet we stand here and fold our arms and refuse to listen or consider any proposition that leads to an equitable law. That is a fine position to go before the people of this State. Fifty-nine thousand people have sent their names here demanding an equitable, fair and just taxation. What caused these persons to sign it, only the rallying cry of equal taxation. None of them had seen the bill. Are the people of this State clamoring for railroad taxation alone? Do they not clamor and ask for equal taxation upon corporate property of all kinds. I wonder what property my friend, Col. Atkinson, has that he is trying to keep from our consideration? I wonder what interest will be trampled upon if all property is taxed equally and fairly and justly. We need not waste any time. We need not stay any longer than we otherwise would. We have put ourselves on record and have said to the people of this State that we are ready, willing and anxious to grapple with the tax laws and make them equitable. Is that a bad thing? Is it worse than to send back word to your people that you did not come here at their request to pass equitable laws, but only to consider taxation upon a few of the corporations? Is that the position you desire to take? take it.

When your constituents asks you why you voted against equal taxation what are you going to say? If you want to follow Col. Atkinson do it. I ask for a fair consideration and ask that every man stand on his own bottom and treat this matter fairly, equitably and just.

Mr. Atkinson:

Mr. Speaker, I congratulate the Governor of this State on his new friends. There is not a man among those who are anxious for the passage of this resolution, with the exception of two or three of my old time friends who have been in some way mislead, who have not, from the time they became members of the Legislature up to the present moment, voted against every measure looking towards equal taxation. Among those who joined in aiding us during the last session of the Legislature was the distinguished member from Kent. I regret his defection and regret he has gone over to the enemy.

The Speaker:

That is of a rather personal character. There are no enemies in this House. We are here representing the people.

Mr. Atkinson:

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We are here representing the people. All present are friends of equal and just taxation. There is nothing in the world further from my mind than to attempt to dictate any policy to this House. I only voice the sentiments of those who have sent me here and I only come here in obedience to the Governor's proclamation to the Legislature, upon the subjects mentioned therein, because the constitution of my State forbids my touching anything else. How unseemly it is for the House of Representatives to forget their own work and turn around and take up the executive and do something else. He has called upon us to stop one robber, and they ask the Governor: "Won't you let us stop somebody else, so that the man you have in your mind can go on with his nefarious work?" Have we any right to consider anything than what the Governor has called us here to consider? Have we any right to interfere with a co-ordinate branch of the government and ask the Governor to send us a message? The State gives him the right to send a message when he sees fit, and it is an absolute impertinence on our part to ask him to send us a message.

Now, let me give to the House a little history of some legislation as it now stands upon the statute books. During the incumbency of our honored Governor Geo. H. Jerome, he was authorized to appoint a commission and he appointed a commission of very distinguished gentlemen: Judge Hatch of Bay City, Prof. Kent of Detroit and some others who are equally well known in the State, and they revised the entire system of taxation with the exception of those companies who pay a specific tax. And he called an extra session of the Legislature, during which the bill presented was passed and the best minds worked on the other problems of taxation, but they did not touch railroad, express companies, telephone and telegraph companies; they left them under another system. And the Governor, looking over the inequalities of taxation and seeing the companies left out who were only paying one-quarter of one per cent, while they owned about one-third of the property of the State—and were only paying about one-twenty-sixth of the taxes, has called us together and advised us to bring these companies under the general system. And the distinguished member from Kent, about whom I would not say an unkind word, and if there is anything in my remarks that tend that way I beg that he will consider them withdrawn. What business have we to turn away from these companies who are not paying taxes and go to see the fellows who are already taxed? Now, that is all there is of this proposition. We are not wasting time. We are waiting patiently here. The House has nothing to do, because we are waiting, so that there will be no show of unfairness to those who may be affected by the bills now pending before this House and a chance for a public hearing.

I am charged, Mr. Speaker, with desiring to suppress any bill except the one introduced by myself. I have made no objection to any bill. Several bills have been introduced out of their order, that I might have objected to, but there is not a single bill that has been introduced by anybody that I have objected to, and I am not going to object to any bill that shall be introduced by any member. Even my brother from Montcalm has introduced his bill without any opposition on my part. I have no objection to any bill. I do not care what bill is considered, and I do not care what committee it is sent to. I am perfectly willing

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that all these bills shall be sent to the Railroad committee or any other committee, because I know this House has control of every committee, and at the proper time can force a report from any of them.

This resolution, when it came up yesterday, was defeated by nearly two votes to one. Today it has been defeated by fifty-five to thirty-one—almost the same proportion.

Now, I regarded the first presentation of this resolution as an obstruction—intended as side-tracking—intended to divert our minds from the proposition submitted by the Governor, in hope that some other plan might be adopted in case the present plan was defeated. I regard the renewal of this motion not merely as obstructive, but as fillibustering, and I regret it being brought up from time to time, after it has been so decisively defeated; it is for the purpose of taking up the time of this Legislature and unnecessary time and expense of the special session and a discourtesy to the man who has called it. This is the object. The gentleman either knows it to be the fact or he does not know it; but it is the object all the same, and I hope this House once more will vote on this resolution. If we had the strength—if there are friends enough of equal taxation here to defeat this resolution a third time let us do it. It may possibly come up a fourth time, but we ought not to be discouraged in well-doing.

Mr. Bemis:

Mr. Speaker and Gentlemen of the House—This seems to be a day and age of the world peculiarly prolific of petitions. Now it seems to me that while we are members of this House of Representatives we are also humble citizens of the State of Michigan, and as such I presume we may have the same right as our brethren, not so unfortunate as to have seats in this House, to petition the Governor. We have humbly petitioned him through this resolution, with some other matters. Now we are asked by the gentleman from Wayne if we have any right to ask the Governor of Michigan to allow us to consider a few other measures. Yes, in my mind we have the right of petition. And it is in no sense, as I can see, any discourtesy whatever. I do not believe that the gentleman from Kent has any such thing in his heart or mind. Now I am delighted with the pleasure that our friend from Wayne has in the new friends. I was not aware—I hope I shall not be made aware that there is anything concerning legislation (which I have repeatedly heard of heretofore) that implies new friends or new enemies or new or old friends or enemies of anybody.

We may suppose what we see fit, but I think it is a somewhat overdrawn supposition—anything of the kind. Now a comparison of this bill with any of the bills that appeared before this legislature in its regluar session seems separate, distinct and peculiar. I must have a very poor memory as I do not remember of any bill of that nature brought before this Legislature. There was a bill for the local taxation of railroads which I certainly opposed—which I certainly would oppose if it should come before this House in extraordinary session.

I am a humble citizen and I think the humblest citizen may have the same right and not be freely criticized in the position I hold. Now as to the increase in taxation the House has been informed by my friend from Wayne—he informs me that I opposed any increase of taxation on railroads at the last session. When the Merriman bill was up for discus-

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sion before the House if we had been so fortunate as to have had stenographers, it would have been recorded that I favored the highest amendments that were made to that bill when it was before the House, and made that statement on the floor of this House myself. I do not think now that the railroads of this State pay their just proportion of the taxes as I thought then. It seems to me that some of us are expected before hand to oppose the bill of my friend from Wayne. I do not see why this is the case. I do not see what there is to cause any such supposition in the mind of any member. But perhaps someone else is as anxious to get on record this afternoon as I am myself.

Mr. Fleischhauer:

My Friend from Wayne has told me that he would be glad if it were known that all of us were friends to equal taxation. Let us make his heart glad this afternoon by responding heartily and taking from the table this resolution and passing it unanimously. It is a resolution that means in fact equal taxation. He has said that the Governor has cried "Stop one thief" which is true; and let us say to the Governor "Thou hast done right in stopping one thief—we will help you stop him and help thou us to stop the others," so that both may be stopped upon the same basis. He has said that it is only mere filibustering and for taking up the time of this Legislature at this time. Let me draw his attention to the fact that the session this morning lasted but fifteen minutes when we got through and were ready to adjourn, and therefore this resolution could not possibly have been introduced for this purpose, because if we were not discussing this question we would have been adjourned—so that cannot be taken for an excuse. But I must say, if we want to go back to our constituents with clear consciences and that we are in favor of equal taxation, we can do it only in this way.

I will just read a few lines from the Governor's message. "The rules of honesty require that every man (remember he says men, not corporation) should pay his share of the taxes, and that every dollar's worth of property of every kind should bear its equal proportion."

Now when he penned those words he knew that there were capitalists is every part of the State that come no nearer paying their equal share of taxes than do the railroads; and then shall we, gentlemen, here say that we will legislate only so far as railroads are concerned; but if it is a mortgage upon the farm, shall he who keeps the mortgage go without taxation, or pay his just share? Let us see to it that he who holds the mortgage pay his equal share with the farmer and he who carries his produce to the market.

Mr. Colvin:

Gentlemen of the House: Now, if you will read the Governor's message you will see nothing but equal taxation in it, that is all. If the railroads and corporations will pay as much taxes in proportion as the farmer and business man of this country, there will be no complaint upon the part of the merchants or farmers or business men of this State, so I say to you, my friend, all we ask for is equal taxation. While the gentleman bears down heavily on those things, that's all right, equal taxation is what we want. Can we go outside of the Governor's message to us in regard to that. When we get through with this bill, if we want anything more, we will petition the Honorable Governor to send us another message on other points; the Governor isn't bashful, you know,

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and if we ask him for it, it will come. In regard to this great howl about money power, and those things, we had a terrible time last winter to keep from exempting mortgages. The time will come, gentlemen, when that will come, no doubt.

Now, while we are here, let us dispose of this thing and not get it conglomorated with something else that has nothing to do with it; let us stand by the Governor's message and pass this bill, and then we can take up something else. Don't let us come here and—I won't say side-track, but I will say switch off in some other direction. The more you get in here, the worse it is. If this resolution is carried here, gentlemen, some other resolution will come, and we will get resolution after resolution, and get away from the message and from what we were called by the Governor to do.

Let us stand square and hold it down, and let us do what we can do with that. I believe every honest member voted before as he thought right, and I believe you will vote again as you think is right in regard to it. I am satisfied myself this bill will be smothered. Twice it has been smothered now, let us bury it again, this time so deep that it cannot be resurrected until Gabriel blows his horn.

Mr. Zimmerman:

Mr. Speaker and Gentlemen of the House—I take exception to the statement which has been made on the floor this afternoon that any member should be under the lash or is under the lash of any other member of this House, or of the Governor of the State, if you please; to that I take exception. Yesterday I voted against this resolution, because I believed that we should go on in this manner and take one thing at a time, and either finish it up or reject it. I believe every member of this House will act independently, will act intelligently and will act upon his manhood individually. I do not believe that we are mere suppliants here, that we are mere children under the lash of a parent. I believe we are here to act as men intelligently and honestly, and here to do our duty as Legislators of this great State.

I believed, and my reason for voting against the resolution yesterday was, for the further reason, as has been suggested by the gentleman from Gogebic in his speech on the floor of the House yesterday, that there was a remedy, if you please, to make every assessor, and every supervisor assess property other than railroads, telegraph, telephone and express companies' properties at its cash value; if that is not done, or if any other property is going untaxed, that is no reason why the railroads, the telephone, the telgraph and express companies should go untaxed.

If it is wise to tax them in the same manner as we do other property, let us consider it intelligently and see if it is right, if not, let us reject it. The remedy that we have for the assessment of other property, where we can apply to the court, we have our remedy for that. We know that property gets unjustly and unfairly taxed, because our supervisors and our assessors do not do their duty. That is not the fault of the law; the fault is in ourselves. Let us make complaints and make every man pay his tax as the law requires, and I believe if we have a bad law, it should be enforced and more stringently perhaps, than a good law; that is the way to find out whether a law is good or bad, and when we find out it is bad then is the time to repeal it, or amend it or remedy it. No structure was ever built to which the foundation was not first laid. I say let us here

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lay the foundations for reform in our taxation, if that is necessary. Let us lay that foundation by taking one thing at a time. Let us take this bill, presented to us by the Governor or others close to the Governor, let us see what there is to it, whether or not it possesses merit. I am here to criticise that bill most stringently, if it does not possess the qualifications and the necessary corrections which I believe should be made in our present tax law. Therefore, I say, yesterday I voted against this resolution, but today since it has been amended and says, that after these bills have been disposed of we shall go on and take up other measures, if it be the will of the Governor. I say I am ready to do my duty in any respect after we have disposed of what we are called here for.

I do not believe it is right, I do not believe it is policy that any member on the floor should get up and abuse another member. There are many of us here who do not take up much time in oratorical fireworks; there are many of us who sit in our seats and think and use our judgments in these matters, and I think it is grossly unjust and improper on the part of any member to say that because we do not raise our voices we are under the lash of some other member of the House.

Mr. F. Shepherd:

I arise for the purpose of challenging the statement of my friend on the point that those who are opposed to the passage of this resolution are those who are opposed to an equal and just taxation of corporate property. If he will look over the record of last year's proceedings he will find quite a percentage of those who voted with Mr. Adams on this matter, who voted with him on the railroad question. So far as my recollection serves me, I voted with Mr. Adams on both of those questions; the only exception that I remember is that for the repeal of the Michigan Central Railroad Company's charter and providing for a court to ascertain the damages that might arise from that repeal. That measure passed this House by a large majority without one word of discussion, without ten members—probably not five, understanding the important portions of that bill. On that bill I disagreed with Mr. Adams, and I believe, if he has considered the matter since, he has arrived at the conclusion that he was wrong at that time.

I do not know what the purpose of the gentleman was in introducing this resolution—the gentleman from Kent—he has not consulted me, but I believe the resolution was in the direction of a remedy of our taxation matters in this State, which are a disgrace to the State. It is well known that a very large percentage of the personal property of the State escapes its just portion of the public burden. Real estate which is in sight cannot escape the eye of the assessing officer; it is put upon the tax roll to such an extent that in some portions of the State it amounts to confiscation. A very large percentage of the mortgages escape taxation wholly in some counties; in a majority of counties, perhaps, it amounts to no taxation whatever. There are other species of property well able to bear their burden, much more so than real estate, and as well able to bear a proper share of the public burden as the railroad properties that escape almost entirely, if not entirely, any taxation, and I submit that if we are to assess one portion of the property we should assess all, and certainly we have the right to petition, we have the right to ask the Governor that after his bill has been disposed of in this House, that the other matters shall be submitted to the House; it rests in his discretion; he

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can do as he pleases about it, and I submit that on this other proposition, no gentleman has a right to go upon the floor of the House and say we are opposed, or not opposed to the other proposition which has been submitted to us by Mr. Atkinson's bill.

Mr. Graham:

I regret exceedingly that an attempt is being made upon the floor of this House to align members either for or against the Governor of this State. For my part I did not come here as a friend of the Governor, nor as an enemy of the Governor. We are called to act as legislators of the State regarding the question of equal taxation. A bill has been presented, that, perhaps, is satisfactory to the Governor and his friends, and we are called here to legislate. We cannot shift the responsibility of this legislation upon the Governor. We must take it upon ourselves, Mr. Speaker, to deal with this bill. Some of us think it does not go far enough, and if I am not out of order I desire to name in what particular it does not. In the first place it names railroad corporations, next telegraph corporations, and telephone corporations. Now, Mr. Speaker, I maintain that telegraph and telephone corporations are taxed in an entirely different manner from that in which railroad corporations are taxed today. The fact of the matter is they are taxed today, and have been for several years in absolutely the same manner as is proposed in this bill. It will have no effect whatever upon the taxation of these named corporations. They pay a tax upon their valuation as assessed upon a sworn statement by the officers of the corporation, the valuation placed upon them by the State board, or by other State officers. The method is the same. If the right to tax after this year a further three per cent upon their valuation, the same as required under this bill it will make no change. They are under this bill to be taxed on their property valuation. What is the property valuation of the express company? There are several things here for us to think of. As a matter of fact the only corporation that will be affected to any extent whatever is a railroad corporation. Now, Mr. Chairman, I don't believe that is sufficient. We have millions of dollars within the borders of this State, as well perhaps as all other states that escape the assessor. The enormous sums of money drawing at the rate of seven and eight per cent interest that have not been paying taxes. Everyone knows that a very large percentage of the mortgages are not taxed in the State of Michigan, many counties do not assess them at all, others only to a very limited extent. Compare for a moment the situation of the banks, not only the bank stock pay its proportion of taxation but it is taxed up to its full value. The building and loan associations and mortgage and loan associations, private individuals loaning money, and all those matters. I am opposed to being aligned either on one side or the other. I am here to vote as I think is correct on all measures that come before us regardless of whether it pleases the Governor or does not. That is my position exactly.

Mr. Colvin:

I rise to speak on this amendment.

The Speaker:

The gentleman is not in order. He has already spoken.

Mr. Gillam:

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The gentleman from Wayne has charged those who have supported this resolution both yesterday and today with using dilatory tactics, I disclaim any intention or desire of attempting any tactics that will delay the passage of any bill that will arrive at an equitable taxation of all the property in the State of Michigan. I know from my own observation, and from my own knowledge upon the subject that the railroads of this State do not pay their just proportion of taxes, and I stand ready to support any bill that will compel the railroads of this State to pay their proper proportion of taxes, and I am prepared also, from my study and knowledge of the bill proposed by the gentleman from Wayne, and introduced by him to support that bill with possibly a few amendments, but I am satisfied that the bill should reach all property of the State and compel it to pay a proper proportion of taxes. I am also convinced in my own mind from personal observation that the real and personal property of this State is not equalized at its proper cash value, and I am satisfied that if this bill as proposed becomes a law, and railroads are assessed upon the cost of construction as appears in the report upon file in the offices of this State, and the value of the personal property as reported by the Board of State Assessors, the railroads would pay more than an equitable proportion, and I am sure that no man in the State of Michigan, and no member of this House, desire to impose more taxes upon them than they really ought to pay. My desire in this connection is to bring both the real and personal property of the railroads of the State under one harmonius system of taxation, rather than under two systems which harmonize together, and that neither private property, or railroad, real or personal property shall pay more than its just share of the taxes. All I desire is equal taxation as between all forms of property, that is my position upon this question.

Mr. Chamberlain:

I did not intend Mr. Speaker at the outset to inflict myself again upon the members of the House in arguing this question. I only desire to say a word before we proceed farther. It may be well perhaps to preserve at this time just where we have drifted from, in slang phraseology "just where we are at." My distinguished friend from Kent yesterday introduced a resolution that a special message be sent to the Governor requesting him to send additional message to this House concerning a subject which had not been mentioned in the call. The resolution was defeated, as has been stated by my friend from Wayne nearly two to one. The House yesterday determined by that vote that they should proceed with the business which had been placed properly before them, before legislating upon other matters, and today the gentlemen renewed the resolution, which probably means something. The phraseology may be a little different, it is a little more handsome I will admit, it does not disclose perhaps, what may have been the intent and purpose behind it, if any was, but I submit that at this stage of the proceeding it would be a dangerous precedent. Suppose this resolution was adopted, and the Governor is requested to send in a special message upon something else where would it end? Can't anybody tell? My distinguished friend upon my right, to whom we have just listened, has now in his pocket a local bill to introduce. If this resolution is taken from the table and adopted my friend would be in a position where he is forced to ask that the

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Governor be requested to send in another special message so that he can pass this local bill.

I hold in my hand a bill that was given me at the time I left home asking the Legislature of this State to adopt a uniform and more equitable railroad fare in both peninsulas. If this resolution is adopted my people will insist that I fall into the same line, and ask the Governor by resolution of this House that he shall send a special message to us that I may introduce and the House may pass this bill. So, Mr. Speaker, the most practical way would be to proceed with the business we now have, and when that is disposed of if we find we still have time we can take up other matters. Perhaps there will be ample opportunity to send to the Governor for another special message upon something else. Let us finish the business that we are called here to perform before consuming any more time. Perhaps it may be wisdom, though I doubt it, to take up some other subject foreign to that mentioned in the call of the Governor. So let us proceed with the business that we have intelligently, like patriotic citizens without any further delay.

Mr. Peters:

The resolution before the House is almost identical with the resolution introduced yesterday. I listened with a great deal of pleasure to the remarks of the gentleman from Wayne and with profit to myself, to his reasons, why the resolution should not be adopted by this House at this particular time. I don't know how that gentleman arrived at his conclusion that it is a trick or scheme to side track some pet measure of his, or his friends. I deny, sir, that it is a scheme. I deny that it is a trick. I believe, sir, that this resolution is introduced into this House with just as much faith, and just as much confidence, in the presence of this House in behalf of the people of the State of Michigan as is the bill introduced by the gentleman from Wayne . I believe the gentleman from Kent has the same confidence and has the same ability to investigate the corporations, and show the causes why these other corporations are not paying their just proportion of taxes. Why does that resolution mention four particular corporations? Why does the Governor's message calling this body together specify them? Why did they not include the other corporations that are not paying their just proportion of taxes? We know that there are corporations, and we know that there are institutions in this State doing business and are permitted to do that business by the laws of this State that pay not one penny of tax. I want to know why the gentleman from Wayne denominates this resolution a scheme? Why is it they seek to prevent our investigating and getting a report upon these corporations. Let us know the reason why there should not be passed laws that are just and equitable to all corporations in this State. I congratulate my distinguished friend from Gogebic that his heart is open, and that he has in his possession a bill by which the people in the Upper Peninsula can travel for three cents a mile. I hail with delight an effort to pass this resolution, for it may possibly be the means of introducing that bill and thus relieve the Upper Peninsula members of a great grievance, and I hope my friends will pass this resolution so that we can remedy this dilemma our people are placed in. I will say to the people from the Upper Peninsula that if we can pass this resolution that I will vote and assist them in passing that,—if they will assist in passing this resolution so that we may investigate and open up

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this question and accomplish for this State. I desire to side track no equitable measure of this House. I don't believe that any man who votes for this resolution believes that there is any scheme in it to side track any other resolution. It is wrong to make such a statement, I believe they are as honorable men as those who make the accusation. I assure you that I am just as good, and my heart is with the working people just as much as my friend from Wayne. I graduated from them long, long ago, and because I happen to be a member of this House does not mean that I have not just as much respect for them. I have always upheld the tallow handed son of toil. Let us pass this resolution. Let's do our duty here as members of this House, and our acts will be honest to the State of Michigan. They will be our judges and not any one man who may be a member of this House. I am willing to go before my constituents and tell them I voted to investigate every corporation that is doing business in this State. I believe it is our duty to pass this resolution.

Mr. Clute:

I voted against both of these resolutions. I suppose I would be placed in the unfortunate category of slaves by thus voting.

The Speaker:

No intimation of that kind has been made. The Chair hopes that no such intimation will be made. There have been no slaves in this country since 1865.

Mr. Clute:

I suppose if a man is under the whip of another he is naturally a slave. If that is not a fact the gentleman had better take back his statement.

The Speaker:

Any intimation of that kind would be improper.

Mr. Clute:

I oppose this resolution upon the ground that it is misleading. If the gentleman is so anxious to reduce taxes why didn't he bring up the question in the last Legislature in the regular term, early in the term, then he could have got it in.

Mr. Savidge:

Mr. Speaker, there has been considerable argument made against this resolution to the effect that we should proceed directly in line with the proclamation. I contend that the passage of this resolution is directly in line, in perfect harmony and in accord with the Governor's proclamation and message. I will read section 3 of the Governor's proclamation.

(Reading section).

The Governor in his message calls attention to this matter that the present system of taxation was wrong, that something should be done to remedy it, or adjust it, something should be done to equalize assessment upon all property, although he mentioned in his message only railroads, telephone and a few other corporations. There is no question in my mind but what the Governor is perfectly in sympathy with investigating other property as well as that enumerated in this bill. If they are so anxious to have it passed as they claim they are they would not stand upon the floor of this House and try to block a proposition that brings before us the very principle they are trying to advance them-

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selves. If they wish to equalize, let us equalize it all over the State of Michigan. Let us take them up. It is consistent with the Governor's views, we will put all taxable property upon the same basis. They say this resolution is offered to obstruct legislation. I say, if there is anyone obstructing legislation it is the opponents of this resolution. They opposed it here yesterday, and they have done the same thing today, men who have probably been disappointed in some appointment, or some other thing. They are opposing legislation in the interest of the entire State of Michigan.

The Speaker:

The gentleman from Saginaw is not in order. He must not refer to any member present and must avoid personality.

Mr. Savidge:

I say that those who are opposing this resolution today are the ones who opposed it yesterday, and are the ones who are obstructing us from legislating according to the Governor's message. We have argued this question here today for two or three hours, we have gained nothing, nothing is being done. Men who are anxious to bring about some equalization of taxation and are just as anxious as they are, do not see why other kinds of property should not be investigated. Are they afraid to have this investigation take place? Are they afraid that other property should be open to investigation and all taxable property of this State? Are they afraid by so doing some companies' statements given to the State of Michigan may prove false? Let us see if there is any such thing being done. No matter who it is done by. We stand here to champion a cause that will bring about a just and equitable basis of taxation of all property in the State of Michigan. Let us not say then that the investigation shall not go forward. There are organizations in the State of Michigan whose assessed valuation today upon the books of the State is $42,000,000, whose stock is selling at 515 or 520 per cent, with a capitalization of $53,000,000. There are other institutions worth millions of dollars, one hundred and fifty to two hundred millions of dollars in valuation, while the county where they are located is only assessed $42,000,000. It is something that should be considered.

Is the gentleman from Gogebic trying to get these things investigated? Can it be possible that these men are trying to prevent it? Is it possible that we are trying to bring one class of taxpayers under the law, and that we are afraid to bring another?

Again I say we will stand here like men, let us stand upon our personal views. Every subject of the Governor's proclamation under this resolution can be disposed of, and we can do then what is just and equitable for the people. I would like to go back to the city of Saginaw and say that I have done my best to bring every dollar's worth of property in the State of Michigan, as well as the railroads, telephone and telegraph companies, in the same catagory and under the same list.

Again, gentlemen, I appeal to you to pass this resolution in all fairness as the representatives of the great State of Michigan.

Mr. Lusk:

I have a few words to say but as I desire to keep in mind the maxim of Homer, "be brief." I am not able to make such an argument as my distinguished friend from the county of Wayne, Mr. Atkinson. I would be very glad if I could upon this floor at this time express the views and

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opinions I entertain with regard to this question, as forcibly and as clearly and as positively as he has declared himself. But I realize that I cannot, and yet, Mr. Speaker, since this subject is before us in the light it is I feel it my duty to reaffirm my position with regard to this question, and it is the same conclusion I came to yesterday and stated upon the floor of this House. Now, Mr. Speaker, I have no personal interest, I may say, in the adoption of this resolution in a sense that I desire to assist my friend from Kent. He has not asked me by word or action to assist in the passage of this resolution—I am defending it upon my own motion.

I am acting from conviction; and yesterday morning prior to the opening of the session of this House in conversation with my friend, Representative Stewart from Detroit, I took occasion to express to him some views with regard to the subject of taxation that would naturally present themselves to us for deliberation and consideration at this session.

And in that discussion I ventured the information to that gentleman that there were some things to my mind that were not embodied in the call of the Governor that I believed should have been incorporated. I took occasion to remind him of the vessel interests of this State, which he knows and I know do not bear their just share of the burden of taxation, and he did not hesitate to acknowledge the fact. He suggested that he had told the Governor himself that this class of property should be incorporated in the call that was to be issued for the convening of the Legislature.

I had in mind, Mr. Speaker, the very proposition embodied in this motion of the gentleman from Kent. Now, I must kindly resent the imputation made by my friend from Wayne that some of us have fallen from grace. In my attitude upon this question, of course, Mr. Speaker, I will not concede to the gentleman the right to judge of my actions from any theological standpoint. I think it is unkind in the colonel to advance that suggestion because I am well satisfied when the smoke of the conflict is cleared away we will all practically unanimously join hands. Now, Mr. Speaker, it is well known to most of the members of this House that for the Governor of this State I entertain the highest respect. I do not hesitate to proclaim myself as a friend of Governor Pingree's. That has been my attitude for many years. When the conflict was raging in the city of Detroit, when the Governor was standing almost singly fighting the corporations and demanding equal rights and fair play, there was no man in the State of Michigan——"

The Speaker:

I do not think the question whether a member is a friend of the Governor has anything to do with this discussion.

Mr. Lusk:

I desire to have it understood as such.

The Speaker:

The question is whether this resolution shall be taken from the table.

Mr. Lusk:

I will arrive at that directly. No man was more interested, no person approved more strongly than did I the action of our present Governor, we have a right to respectfully ask the Governor to present these subjects for our consideration. Let us turn again to his own language "In obedience to this call of duty I hereby call the Legislature of this State

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to meet in extraordinary session on Tuesday the 22d day of March, 1898, at noon on that day to consider the question of the taxation of railroad companies, express companies, telegraph and telephone companies and such other matters as shall be submitted by special message."

Now, Mr. Speaker, the Governor himself has given us the invitation in his own language to exercise the duty involved in the adoption of this motion. I will re-assert my sympathy for the proposed bill, which has been brought to our consideration and there is no question in my mind as to the outcome of our action upon that measure. When we shall have done our duty in that regard shall we say to the people of this State that we are blinded by prejudice, that our interest in the whole people is so narrowed, that our inclination is so bigoted that we shall not survey, if necessary, the whole field of taxation and carry out the battle cry of the Chief Executive by our action and by our votes, proper effort, proper influence, re-assert and establish that great principle "equal rights to all and special privileges to none."

Mr. Scully:

I will also vote to leave the resolution on the table. We might think from the language of the gentleman favoring this resolution that there is no law in the State of Michigan taxing property. At the regular session we were nearly five months and had ample time to regulate the law pertaining to the taxation of property in this State, and some of the gentlemen, especially the gentleman from Saginaw, my distinguished friend, was a member of the taxation committee, and did not exert himself very much to equalize taxes in the State of Michigan.

Now, Mr. Speaker, I can say that I am in favor of the plan of the Governor that has been introduced to tax railroad property, express companies, telephone and telegraph companies. We have heard their voices in the last Legislature in favor of regulating the taxation of railroad companies. I believe this resolution was introduced for the purpose of distracting the attention of this body from the purpose for which it was called together. My friend from Macomb only yesterday told us upon the floor of the House that this was a great question, a question that would require a great deal of investigation. And he introduced a resolution to send a commission to Ohio and Indiana to find out facts to enable this body to pass upon that bill. I submit, gentlemen of the House and Mr. Speaker, that we should give our undivided atention to the bill introduced and referred to the committee on Revision of Taxes. No I do not know of any defect in the laws with regard to other property and I have never heard any of these gentlemen give any specific reason why we should legislate on any other subject. I believe the bill introduced for the purpose of regulating taxation of railroads and these other companies should have our attention.

Mr. Pearson demanded the previous question.

The demand was seconded.

The question being, shall the main question be now put,

Mr. Adams:

I hope that motion will not prevail. It seems to me at this time that a motion of that kind is to say the least unkind. I hope every man will have an opportunity to express himself candidly upon this question, and I wish the gentleman from St. Clair would withdraw his motion.

The previous question was not then ordered.

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The Speaker:

The question is on a motion to take the resolution from the table.

Mr. Petrowsky:

I hope this resolution will lie where it is. I think we should give our undivided attention to the bill introduced and dispose of that first. No man who wants to conquer and win will attack two or three kingdoms at once but will attack one and keep that and when he has conquered one will start for another, with renewed strength and vigor. That is the only way we can hope to accomplish anything. I hope this resolution will be left where it is and that nothing will be done with it.

Mr. Adams:

I desire to take but a few minutes of this House. The gentleman from Gogebic arose and with the grace and dignity and eloquence that he so bountifully possesses, said, "Where are we at?" If I recollect the position that he took upon these questions and similar ones last session, I answer in return, "Where are you at?"

Today the property in the State of Michigan is assessed at 38 and 9-10 per cent of its true value. In some parts of the State it is assessed as low as 20 per cent of its true market value, in other parts of the State as high as 90 per cent of its true market value, is this equity and justice, under our present laws as they exist today?

Mr. Atkinson:

Will the gentleman permit me to ask him a question?

Mr. Adams:

Certainly.

Mr. Atkinson:

By whom is this market value fixed?

Mr. Adams:

I will refer the gentleman, and I regret I cannot indicate the page, to the State Statistician's report, I think page 30, where he states, the value of the property, personal and real in this State to be two billion four hundred million—

Mr. Atkinson:

Will he gentleman permit me to ask him another question?

Mr. Adams:

Yes, sir.

Mr. Atkinson:

Haven't the statistics of Col. Deland the party to whom you refer, been laid away in the capitol as waste paper?

Mr. Adams:

Not to my knowledge. If that is true, I have no information of the fact, of my personal knowledge. If the statistics and figures are not acceptable, then I desire to say that of my personal knowledge in the county of Isabella, the farm lands, real estate in many portions of that county are assessed as low as 20 per cent of their true value. In the county of Washtenaw of my personal knowledge, I know of property there that is assessed from two-thirds to ninety per cent of its true value. This certainly is not equitable. It is a system existing under our present law. Can this be remedied? We were told yesterday and today that the laws provided for just such a thing, and the courts were open to punish the officer. The fact remains they are not punished. This inequality exists and will exist under this law. Can it be done? Some have said, no. I want to reply

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to those who have such weak faith in laws enacted that it is so, that it is done in the State of Indiana. And therefore to accomplish this purpose and to bring about equality, I prepared a bill taking from the laws of Indiana the salient points and putting them into our own law, that we may have the good points of their law working with ours. That would bring every dollar's worth of property in the State to the assessor, and placing it upon the roll at the true cash value in the market, the true market value. And then providing a penalty for the man who would make a false statement and for the assessor who would falsely and wilfully assess property at more or less than its true value, and then I discovered the doors of this extra session were not open. What is the remedy in such a case? There is a weak point in the law; here is an amendment that will plug up that hole; but the door is closed to get at it. We then bow down and humbly and respectfully petition our honored Governor to open the door a little further that we may consider this question, and these gentlemen rise up in their strength and say, "Hold the door where it is." Can we petition the Governor of our State; is that a sin; is that a crime to let him know we are ready to grapple with this question, digest and settle it. If it is, then I ought to change my vote.

Mr. Atkinson:

I arise to a point of order.

The Speaker:

The gentleman from Wayne will state his point.

Mr. Atkinson:

My point of order is this: That under the proclamation of the Governor, we are confined to the subjects therein named, and that we cannot as a Legislature vote upon petitions or anything else on another subject.

The Speaker:

The Chair will rule the point of order not well taken upon this ground, that although we cannot legislate upon any other subject, there is nothing in the constitution or any precedent which the Chair is familiar with, that would debar the Legislature from asking the Governor to send a supplemental message; that is not legislation. We cannot legislate, however, without the supplemental message.

Mr. Adams:

I have stated the position that I occupy and my reasons for offering the resolution, and I ask your fair, candid consideration of it, and that we comply with the conditions of the Governor's message. The resolution is drawn in the fairest terms I can command, and suggest to him that he submit his message at an opportune time, not interfering with present arrangements. I desire to join hands with my friend from Wayne; I am here to support a measure, even though a compromise measure, to increase the taxes to a proper point.

Mr. Powers:

Gentlemen of the House: I have been asked a fair question by the gentleman from Kalamazoo, and the question is substantially this: "What is there wrong about this resolution?" I have voted against the resolution and I wish to briefly answer what I consider to be the wrong relative to this resolution. Last winter when the railroad bills were so successfully defeated, while not entirely defeated, they were so nearly defeated I found that certain gentlemen of this House had no

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disposition, manifested no disposition or no desire or anything of that sort to take up the subject of taxation. Several bills were introduced, I myself introduced one bill relative to this subject of taxation. It went no further than to the committee; it was never reported out. Now then, I myself would like to understand why the situation is as it is. Why were the gentlemen of this House so unwilling to take up the subject of taxation at the last session of the Legislature, and so extremely anxious at this particular moment to force the subject upon us when we have not time, when we have not the right or privilege to take the matter into consideration whatever. I am a little distrustful. I do not wish to charge or intimate that there is a single member in this House who wishes to perpetrate a fraud or side-track anything or do anything of that kind. But, gentlemen, past experience has shown us that individuals outside of the Legislature so work upon individual members of the Legislature as to induce them to present measures which may seem to them to be just, fair, candid and all right. I am a little in fear that there is something of that kind afoot.

Now, I do not know that I ought to be so distrustful. It seems queer to me that gentlemen of this House who so absolutely refused to consider bills introduced and that never went further than the committee and never were reported out—my own bill was not considered that I know of at all, it was not reported out, and it was a matter pertaining to the same question they are now anxious to consider. Gentlemen, you cannot candidly blame me for being somewhat distrustful, and yet I do have entire confidence in the members of the House, I believe we are honest, I believe we all demand and that our constituents demand equal and just taxation. We want these matters regulated as they should be, but now is not the proper time. I am opposed to the resolution. Let us do the work assigned us at the present time.

The question being on taking the resolution from the table,

The motion did not then prevail, by yeas and nays, as follows:

YEAS.

Mr. Adams	Mr. Graham	Mr. Peters
Allison	Green	Phillips, C. C.
Bates	Gustin	Reed
Bemis	Harris	Rulison
Caldwell	Hofmeister	Savage
Camburn	Lusk	Sawyer
Connors	Madill	Shepherd, F.
Cousins	Mayer	Smith
Donovan	Moore, M. G.	Washer
Dudley	Otis	Whitney
Fleischhauer	Peek	Zimmerman
Foote	Perry	Speaker
Fuller		

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NAYS.

Mr. Alward	Mr. Dickinson, L. D.	Mr. O'Dett
Atkinson	Eikhoff	Pearson
Babcock, C. G.	Gibson	Petrowsky
Babcock, H.	Gillam	Phillips, M. F.
Belknap	Goodell	Powers

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Mr. Bricker	Mr. Goodyear	Mr. Putney
Bryan	Hammond	Scully
Buskirk	Jackson	Shepard, F. M.
Cahoon	Kerr	Shisler
Chamberlain	Kimmis	Stewart
Clark	Marsilje	Stoneman
Clute	Miller	Tefft
Coad	Molster	Vought
Colvin	Niedermeier	Weier
Crippen	Oberdorffer	Widoe
Davis		46

Mr. Perry offered the following:

Whereas, Under the call of the Governor of this State convening the Legislature in extraordinary session for the consideration of special subjects, there is no probability of the consideration of subjects that would come before, or be referred to many of the general standing committees of this House; therefore

Resolved, That the clerks of the standing committees of this House and the assistant enrolling clerks, excepting only the clerks employed by the committee on the Revision of the Statutes and the committee on General taxation, be discharged.

Mr. Perry:

When this resolution was presented yesterday it was withdrawn with the express understanding that there was no work, nothing for them to do, that some of the resignations were already in, and others would be in in 24 hours. This morning the resignations were upon the table within the 24 hours, but the intent of the resolution is completely defeated by the terms at which the resignations are to take effect. They are to take effect next week. This resolution was introduced in good faith at the suggestion of one of the gentlemen who is a clerk of the Legislature, and it seems to me that under the circumstances the resolution having been withdrawn at the courteous request, it seems to me I am fully justified in now introducing it, because the very intent of the resolution is defeated by the terms of the resignation of the parties concerned.

Mr. Fuller:

It seems to me this is not only an unwise move but rather an unfair move. The clerks come down here, they did not know whether they would be needed or not. There has been no precedent established why they should not come, and since they have come here to attend the special session, it is no more than right that we should give them pay for the time. It would give these young men a better standing to have it go out that they resigned voluntarily, than that they were discharged. They were entitled to come. At least they had no notice not to come, and it seems to me that this House should at least give these gentlemen a chance to resign and that is the reason I am opposed to the resolution.

Mr. Perry:

Will the gentleman let me ask him a question? Does he realize that the preamble of the resolution is so framed that there is no chance for any discourtesy whatever to those affected.

Mr. Fuller:

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The fact will still remain that the clerks are discharged. The wording of the preamble will not be known. The fact that they are discharged will be known.

Mr. Colvin:

I think it is doing great injustice to these gentlemen not to allow them to resign; it almost puts a streak on them when they are turned out of the House. I hope the gentlemen will have a chance to resign and have some compensation; these men have to work; give labor a chance; they have to work for their living. It is not going to be a quarter of a mill apiece to the people of the State; let these people go away in good respectable style, and not come here and be discharged. How would the people at large look at them? They would think they had cut up some mean caper and got discharged. The people in general wouldn't known anything about it. Let us treat them like men and not as though they were criminals from Jackson.

Mr. Perry:

I demand the yeas and nays.

The demand was seconded.

Mr. Perry:

I would like to say further that one of these gentlemen told me that the resignation when he signed it was to take effect on the 23d, and the resignations as placed upon the table are to take effect upon the 28th; next week. Is that justice and right; is that proper? I say right here that if these resignation had been introduced in good faith, as the request for the withdrawal of the resolution was presented, I have no doubt in good faith; if the resignations had been filed to take effect on the 23d, there would have been no occasion for this resolution being introduced except to cover those who had not presented their resignations. There are some who have not presented their resignations.

Mr. Sawyer:

I desire that this resolution may be read for the information of the House.

The resolution was again read.

It seems to me as though that is rather a harsh resolution. These young men came here in the utmost good faith, and it seems to me they ought to receive their pay, sufficient at least to pay the expenses of their coming here.

Mr. Perry:

I rise to a point of order, raising a question of pay which is not covered by the resolution at all. The question of pay has nothing to do with this resolution. They will receive their pay anyway, whether the resolution passes or not. They are sure of that. If I supposed the resolution would deprive them of their pay or mileage, I would be the last one to offer it.

Mr. Sawyer:

The construction that he puts upon it may not be put upon it by the paying officer. There ought to be a preamble to it reciting that they came in good faith, and the business of the session was such that they probably would not be needed, and that they receive pay and mileage for the time they are here and their traveling expenses, if they are to be discharged at all. It does seem to me it is a severe thing to say "we dis-

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charge them and let them go home." Therefore I move to lay this resolution on the table.

Mr. C. C. Phillips:

I rise to ask a question. Didn't we pass a vote to accept the resignations of certain clerks of committees?

The Speaker:

The resignation of three clerks of committees was tendered this morning at the morning session, and placed upon the Journal, but no vote taken upon it, but the objection that the gentleman from Manistee raises to that is this: That the resignations are to take effect next week instead of today. The Chair understands that by the resolution.

Mr. C. C. Phillips:

Is it not necessary that those resignations be acted upon by the House?

The Speaker:

It has never been customary for the House to act upon either the appointment or resignation of a committee clerk.

Mr. Phillips:

I desire to ask, these clerks having resigned this morning, will they not draw pay in any case—be entitled to pay up to the time they tendered their resignation?

The Speaker:

They would be, in my judgment.

Mr. Perry:

I move that the resignation of these gentlemen be accepted, to take effect on the 23d.

By the Chair:

Would it not be well to make it the 24th?

Mr. Perry:

I will amend it so as to make it read to accept the resignations the 24th.

By the Speaker:

It is now in the hands of the Clerk, by which they agree to resign—state they do resign and that the resignation will take effect on the 28th, and the question now is to amend by inserting 24 instead of 28, and that the resignation will take effect and the clerks will draw their pay up till that time.

Mr. Hammond:

I would ask, for information, if there are any clerks who have not resigned, other than mentioned in the resolution—if there are still some that have not resigned?

The Speaker:

The chair is informed there are none, except those mentioned in the resignation. The question is on the amendment to strike out the 28th and insert the 24th.

Mr. Chamberlain:

I desire to ask, for information, if these clerks receive mileage.

The Speaker:

They will receive mileage.

The motion to amend the resolution then prevailed.

The Speaker:

The question is on the accepting of the resignation of the clerks.

The resolution as amended was then adopted.

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F. M. Shepard offered the following:

"Resolved that when this House adjourns on Friday afternoon it stand adjourned until Monday at 3:30 o'clock p. m.

Mr. Chamberlain:

I desire to ask the committee on revisions if there is to be any hearing on the bills Saturday morning.

Mr. Atkinson:

I desire to say that has not yet been arranged. There is to be a public hearing for the committee here on the floor of the House at 7 o'clock this evening, and at that time the committee will say to what time it will adjourn. Beyond that I cannot give any information.

The Speaker:

The question is on the adoption of the resolution.

Mr. Chamberlain:

I ask for a re-reading of the resoluti

The resolution was again read.

The resolution was then adopted.

On motion of Mr. Adams,

Leave of absence was granted to himself for tomorrow.

The Speaker announced the following:

I hereby appoint Theodore Charland, of Lansing, Ingham county, janitor to fill vacancy.

Wm. D. Gordon,
Speaker.

On motion of Mr. Chamberlain,

The House adjourned.

Lansing, Friday, March 25, 1898.

The House met pursuant to adjournment and was called to order by the Speaker.

Prayer by Rev. Mr. Swift.

Roll called: quorum present.

Absent without leave: Messrs. J. H. Dickinson, Foote, E. W. Moore, Wetherbee and Wing.

On motion of Mr. Fleischhauer,

Leave of absence was granted to himself until Monday afternoon.

On motion of Mr. Fleischhauer,

Leave of absence was granted to Mr. Reed until Monday afternoon.

On motion of Mr. C. C. Phillips,

Leave of absence was granted to Mr. Foote until Tuesday next.

On motion of Mr. C. C. Phillips,

Leave of absence was granted to Mr. E. W. Moore until Tuesday next.

On motion of Mr. Goodell,

Leave of absence was granted to himself until Tuesday noon.

On motion of Mr. Lusk,

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Leave of absence was granted to himself until Tuesday next.

On motion of Mr. Shisler,

Leave of absence was granted to Mr. Wing indefinitely on account of sickness.

On motion of Mr. Washer,

Leave of absence was granted to himself for Monday and Tuesday next.

On motion of Mr. Powers,

Leave of absence was granted to himself until Tuesday next.

On motion of Mr. Bricker,

Leave of absence was granted to himself until Tuesday next.

On motion of Mr. Van Camp,

Leave of absence was granted to himself until Tuesday next.

On motion of Mr. Dudley,

Leave of absence was granted to himself until Tuesday next.

On motion of Mr. Harris,

Leave of absence was granted to himself until Tuesday next.

On motion of Mr. Graham,

Leave of absence was granted to himself until Tuesday next.

On motion of Mr. Petrowsky,

Leave of absence was granted to himself until Wednesday next.

Mr. Alward moved that the House adjourn,

Which motion prevailed, and

The Speaker declared the House adjourned until 3:30 o'clock P. M. on Monday next.

Lansing, Monday, March 28, 1898.

The House met pursuant to adjournment and was called to order by the Speaker.

Roll called: quorum present.

Absent without leave: Messrs. Atkinson, H. Babcock, Bemis, Camburn, Clute, Coad, Cousins, Davis, J. H. Dickinson, Donovan, Foster, Fuller, Jackson, Marsilje, McGill, Miller, M. F. Phillips, Stewart, Stoneman, Wetherbee, Widoe and Zimmerman.

On motion of Mr. Perry,

Leave of absence was granted to Mr. Cousins for the afternoon.

On motion of Mr. Gustin,

Leave of absence was granted to Mr. Stoneman until Wednesday.

On motion of Mr. Scully,

Leave of absence was granted to Mr. H. Babcock for the day.

On motion of Mr. Savage,

Leave of absence was granted to Mr. Marsilje for the day.

On motion of Mr. Bryan,

Leave of absence was granted to all absentees for the day.

On motion of Mr. Gillam,

Leave of absence was granted to Mr. Zimmerman indefinitely.

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INTRODUCTION OF BILLS.

Mr. Kelly, unanimous consent having been given and leave being granted, introduced

House bill No. 10, entitled

A bill creating a commission to investigate the general subject of taxation in the State of Michigan and other states, to investigate more particularly the present tax laws in this State pertaining to railroad, express, telegraph and telephone companies and report their findings to the Legislature at the next regular session in the month of January, 1899.

The bill was read a first and second time by its title and referred to the committee on Revision and Amendment of Statutes.

Mr. F. Shepherd, unanimous consent having been given and leave being granted, introduced

House bill No. 11, entitled

A bill to provide for the assessment and levy of taxes upon the property of railroad companies and to repeal all acts and parts of acts contravening the provisions of this act.

The bill was read a first and second time by its title and referred to the committee on Railroads.

MOTIONS AND RESOLUTIONS.

Mr. Peters offered the following:

Resolved, That the select committee on mileage, of the regular session of 1897, be instructed to ascertain and report to the House as soon as practicable, the mileage to which the employes and officers appointed to fill vacancies are entitled;

Which was adopted.

Mr. C. C. Phillips offered the following:

Resolved by the House (the Senate concurring), That there shall be printed and bound in the usual form and style 3,000 copies of the Official Journal of this extraordinary session of the Legislature, and

Resolved, That such number of copies of said Journals as shall remain, after the distribution provided by law shall have been made, shall be disposed of as the Board of State Auditors shall determine.

Laid over one day under the rules.

Mr. Kelly:

I rise to a question of personal privilege.

The Speaker:

The gentleman will state his question of personal privilege.

Mr. Kelly sent the following to the Clerk's desk, and the same was read to the House:

Second Machiavelli.—Is Gov. Pingree, According to Rep. Kelly.—Deep Laid Plot by Which Fred Baker is Made the Governor's Tool.

Lansing, Mich., March 26.—Rep. Kelly, of Muskegon, thinks he has discovered an African in the legislative woodpile. Yesterday afternoon he declared that Gov. Pingree brought Fred A. Baker to Lansing for the express purpose of letting the daylight through his bill. According to Kelly, the "old man" does not want the bill to pass. So he arranged with

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Baker, who was counted a firm friend to come here and declare that nothing in the way of just railroad legislation can be had, until the Michigan Central charter is repealed.

Having thus killed the bill, the Governor will be able to go before the people this fall and assure them that, if they will only give him the right kind of a legislature, he will show them how to do tricks with the railroad companies next winter.

But Kelly says that the antis will spoil this little game by stepping in and passing the bill just as it was introduced and let him take the responsibility for the enactment of an unconstitutional and worthless measure.

Mr. Kelly:

My attention was called to this article in the News, I think of Saturday's issue. And I wish to state to the House that the article is absolutely false, that the statements that are there published are not true. I have not discovered any African since I have been here and have failed to locate the legislative woodpile. I wish to state in answer to that publication that I am here representing my constituents, and the people of the State of Michigan. And when I find myself so narrow as to make a statement of that kind or to oppose any legislation that may be proposed by the Governor of this State, I think, Mr. Speaker, it will be time for me to leave the halls of legislation. There is no man, I care not who he is, that can charge me for one moment with blocking any legislation or proposing any scheme, whereby any measure that may be proposed by the honorable Governor of the State of Michigan, shall be prevented from receiving proper consideration from the floor of this House.

I wish to state that I am not connected with the Pingreeites or the anti-Pingreeites. I am not here for the purpose of making political capital for myself, but to give honest consideration to every measure that shall be brought before this House.

While I do not charge the correspondent of that paper, who is by the courtesy of the House permitteed on this floor, with misrepresentation, I think the paper should interview the members before publishing expressions claimed to be made by them to ascertain their correctness. I do not feel the article has done justice to me and I think there are other members on the floor of the House who feel the same way. I wish to deny it absolutely and wish to say that any legislation that comes before this House will be considered by me upon its merits and anything I can do in the consideration of tax matters affecting the burdens now upon the people of the State of Michigan, will be honestly and properly considered by me as a member of the House of Representatives of the State of Michigan.

On motion of Mr. F. Shepard,

The House adjourned.

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Lansing, Tuesday, March 29, 1898.

The House met pursuant to adjournment and was called to order by the Speaker.

Prayer by Rev. Mr. Mudge.

Roll called: quorum present.

Absent without leave: Messrs. Davis, Donovan, McGill and Wetherbee.

On motion of Mr. Gustin,

Leave of absence was granted to all absentees for the day.

By unanimous consent,

Mr. Fleishhauer offered the following:

Whereas, It has come to the knowledge of the members of this House that our fellow-member and colleague, Chas. W. McGill, has been nominated for the responsible office of judge of police court for the city of Grand Rapids; therefore be it

Resolved, That we extend to the Hon. Chas. W. McGill our most hearty and unanimous congratulations;

Which was adopted.

PRESENTATION OF PETITIONS.

No. 4. By Mr. Cousins: Petition of residents of Senatorial District No. 6, Hillsdale county, for the passage of House bill No. 1, for the taxation of corporate property.

Referred to the Committee on Revision and Amendment of the Statutes.

No. 5. By Mr. Shisler: Petition of F. J. Clark and 18 other citizens of Representative District No. 2, Kent county, for the passage of House bill No. 1, for the taxation of corporate property.

Referred to the Committee on Revision and Amendment of the Statutes.

No. 6. By Mr. Allison: Resolutions of the Highland and Hartland Farmers' Club, endorsing the continuous efforts of Governor Pingree to secure equitable and just taxation of all property, the calling of the special session of the Legislature, etc.

Referred to the Committee on Revision and Amendment of the Statutes.

Mr. Clute:

I have a resolution in the nature of a petition. I ask to have it read and spread upon the Journal.

The resolution was read.

The Speaker:

Are you ready for the question.

Mr. Anderson:

I, for one, will have to oppose printing these petitions in the Journal. I think this extra session of the Legislature is going to cost the taxpayers of Michigan sufficient money without paying for printing these resolutions. I object for one to the printing of them in the Journal.

Mr. Clute:

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We have been accused on this floor of being under the lash of Mr. Atkinson. Now the people that sent me here have almost unanimously adopted a resolution similar to this resolution; not only that, but a majority of the men that have so much respect for my family that they voted to keep me at home believe the same thing.

I hope in the future that no member of this body but what will have sufficient respect for himself not to get up on this floor and say that any member is under the lash of any other member of this House, and especially any silver man in this House. When Governor Pingree goes our way we are willing to go with him, but we reserve the right to turn off the road at any point we see fit. I hope this will be remembered.

Mr. Shisler:

I am in sympathy with the resolution. Quite a few Journals go into my district to my people and I am satisfied they would like to have the expressions taken at their caucuses in relation to the action of this Legislature on the taxation question printed in the Journal, I think they would be glad to see them, and I am rather inclined to the opinion that they would think I had not done my duty if I did not urge the printing of the same in the Journal, consequently I am in favor of the resolutions. The resolutions are short, they are to the point, and I see no reason why they should not be printed. They will not make the Journal any more troublesome, and the cost is so trifling it occurs to me they should be printed. I ask that the resolution presented this morning by myself be printed in the Journal.

The Speaker:

That motion will not be in order at the present. The question is on the motion of the gentleman from Calhoun, Mr. Clute.

Mr. Alward:

I do not desire to occupy the time of this House, but I wish to say in this matter there was a great bundle of petitions produced here, and it would seem to me that we would create a corner on paper and printer's ink if we printed all this stuff in the Journal. I have received a lot of petitions and one from the supervisor of my district that I have not offered here to be printed, and I think as somebody else has asked to have their petition printed I shall object to it.

Mr. Adams:

This is an age of going on record. I hope the people of the State will take the same trouble of expressing themselves fully that they may go upon record with the rest of them. I very much admired some of the resolutions that have been sent here and some of the resolutions that have been adopted by the various caucuses, and especially the one from Paris township in the county of Kent. They explain so completely——

The Speaker:

The gentleman is not talking on the question. The motion is to print this resolution.

Mr. Adams:

I hope the motion of my friend from Calhoun will prevail. I hope no member on the floor of the House will vote against it.

The question being taken,

The resolution was ordered spread on the Journal, as follows:

Whereas, Governor Pingree has called an extraordinary session of the Legislature to consider the question of taxation and in his proclamation

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says: "In violation of the spirit, if not the letter, of these provisions of the constitution, laws have been passed from time to time by which railroad companies, express companies, telegraph and telephone companies, now owning, according to their sworn returns, at least one-third of the property of this State, are required to pay only about one-twenty-sixth of the taxes levied for State, county and municipal purposes, leaving their just proportion of supporting our schools, asylums and other public institutions and defraying the public expenses to fall upon the farmers, laborers and manufacturers, and other property owners of the State." Be it

Resolved, That the People's Union Silver party of the township of Homer, at their caucus for the nomination of township officers, held in Fireman's hall in the village of Homer on Friday, the 25th day of March, 1898, endorse the policy of Governor Pingree in regard to the question of taxation, in that his course on that question is for the best interests of all farmers, merchants and laboring men.

Carried.

S. D. Strong, Chairman.
C. C. Worthington, Sec'y.

Mr. Shisler:

I desire to renew my motion to have the resolution adopted by the Paris township caucus printed in the Journal.

The question was taken,

And the resolutions were ordered spread at large on the Journal, as follows:

Republican Caucus, Paris Town Hall, Kent county, Mich.

March 15, 1898.

Whereas, Governor Hazen S. Pingree having called an extra session of our State Legislature for the purpose of enacting laws for the just taxation of railroads and other corporations, in justice and equity to farmers and all wage earners, and feeling it our duty to express ourselves upon the subject matter; therefore be it

Resolved, That it is the sense of this meeting assembled that our Representatives from this district be asked to use all honorable means for the enactment of such laws as will tax rich and poor alike, that all may bear the just burdens of taxation;

Resolved, That we fully appreciate and endorse the action of our Governor in his efforts to uphold our statutes;

Resolved, That a copy of these resolutions be sent Governor Pingree, Senator Barnard and Representative Shisler.

Motion by H. B. Rathbun and supported by F. J. Cook,

That the resolutions be adopted and the chairman and secretary be instructed to sign them officially.

Copy.

H. W. Davis, Chairman.
J. F. Henry, Secretary.

Two hundred and twenty-eight voters present.

No. 7. By Mr. Kimmis: Petition of republicans of Highland township, relating to taxation of telegraph, telephone, express and railroad companies.

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Referred to the Committee on Revision and Amendment of the Statutes.

REPORTS OF STANDING COMMITTEES.

By the Committee on Rules and Joint Rules:

The Committee on Rules and Joint Rules, to whom was referred the following concurrent resolution:

Resolved by the House of Representatives (the Senate concurring), That whenever the Legislature shall be called to meet in extraordinary session, the Secretary of the Senate shall notify to be present at the opening of the session such of the clerks and employes of the Senate as the President of the Senate may designate, and the Clerk of the House shall in like manner notify such of the clerks and employes of the House as the Speaker may designate;

Respectfully report that they have had the same under consideration, and have directed me to report the same back to the House, with the accompanying substitute therefor:

That there be added to House Rule 10, a subdivision to be known as Rule 10e, as follows:

Rule 10e. Whenever the Legislature shall be called to meet in extraordinary session, the Clerk of the House shall notify to be present at the opening of the session such of the clerks and employes of the House as the Speaker of the House shall designate.

Recommending that the substitute be concurred in, and that the subtsitute be adopted, and ask to be discharged from the further consideration of the subject.

O. B. Fuller,
Chairman.

Report accepted and committee discharged.

Mr. Fuller:

The resolution was referred to our committee as a concurrent resolution, and it would take a great deal of machinery to go through both Houses, as each House is judge of its own rules, and the substitute which we have reported will avoid any confusion in the future at special sessions in regard to the subject of resignation or discharge of clerks, as no one will come unless he is ordered by the Speaker to be here.

The question being on concurring in the substitute reported for the resolution by the committee,

The House concurred.

The question being on the adoption of the amendment reported to the rules of the House,

The same was adopted and made a rule of the House, two-thirds of the members elect voting therefor.

By the Special Committee on Mileage:

The Special Committee on Mileage, to whom was referred the matter of mileage of new employes of the House, beg leave to report as follows:

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Harry A. Silsby, clerk of Revision Committee.....	936	miles
George S. Bennett, press clerk.....	180	"
William Barrett, document room keeper.....	140	"
J. W. Kincaid, assistant document room keeper....	2	"
Henry Truax, 3d Assistant Sergeant.....	136	"
Milton W. Guy, assistant cloak-room keeper.....	158	"
Theodore Charland, assistant janitor.....	2	"
Percy Gibson, floor messenger.....	180	"

And respectfully recommend the allowance as herewith.

Wm. D. Kelly,
William Harris,
Jos. Scully,
Committee.

Report accepted and committee discharged.
The question being on the adoption of the report,
The report was adopted.

MESSAGES FROM THE SENATE.

The Speaker announced the following:

SENATE CHAMBER,
Lansing, March 28, 1898.

To the Speaker of the House of Representatives:

Sir—I am instructed by the Senate to transmit to the House the following concurrent resolution:

Resolved (the House concurring), That when the Legislature adjourns on Thursday, March 31, it stand adjourned until 9 o'clock p. m. Wednesday, April 6th, 1898;

Which has been adopted by the Senate, and in which the concurrence of the House is respectfully asked.

Very respectfully,
Charles L. Pierce,
Secretary of the Senate.

The question being on concurring in the adoption of the resolution,

Mr. Chamberlain moved to amend the resolution by striking out the words "Thursday, March 31st," and inserting the words "Friday, April 1" in lieu thereof; also by striking out the words "9 o'clock p. m. Wednesday, April 6th," and inserting the words "Tuesday, April 5, at 4 o'clock p. m."

For which,

Mr. L. D. Dickinson offered the following as a substitute:

Resolved by the Senate (the House of Representatives concurring), That when the Legislature adjourns on Friday, April 1, it stand adjourned until Tuesday, April 5, at 7:30 o'clock p. m.

Which was agreed to.

The resolution as amended by the substitute was then adopted.

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INTRODUCTION OF BILLS.

Mr. Chamberlain, unanimous consent having been given and leave being granted, introduced

House bill No. 12, entitled

A bill to provide for the taxation of all railroad companies in the State of Michigan.

The bill was read a first and second time by its title and referred to the Committee on Revision and Amendment of the Statutes.

Mr. Adams, unanimous consent having been given and leave being granted, introduced

House bill No. 13, entitled

A bill to provide for the assessment and levy of taxes upon the property of railroad companies, express companies, telegraph companies, and telephone companies.

The bill was read a first and second time by its title and referred to the Committee on Revision and Amendment of the Statutes.

Mr. Scully, unanimous consent having been given and leave being granted, introduced

House bill No. 14, entitled

A bill to amend section 33, as amended, of an act entitled "An act to authorize the sale of the Central Railroad and to incorporate the Michigan Central Railroad Company," approved March 28, 1846.

The bill was read a first and second time by its title and referred to the Committee on Revision and Amendment of the Statutes.

UNFINISHED BUSINESS.

Being the consideration of the following:

Whereas, The taxable property of the State is, under the operation of the existing tax laws, very unequally assessed, much of it being secreted from the tax assessors altogether, in some counties, towns and cities property finding its way upon the tax rolls being assessed at a very small percentage of its true market value and some at very near its true value; therefore, be it

Resolved (the Senate concurring), That His Excellency, the Governor, be and is hereby respectfully requested to recommend by special message the consideration of the question of the taxation of fast freight and all transportation, corporate and individual property of the State, to the end that all property in this State by whomsoever owned shall be spread upon our tax rolls at its true market value in fact, and bear its just and fair proportion of the public burden.

The question being on the adoption of the resolution,

On motion of Mr. Adams,

The resolution was laid on the table.

Also the following:

Resolved by the House (the Senate concurring) That there shall be printed and bound in the usual form and style 3,000 copies of the Official Journal of this extraordinary session of the Legislature; and

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Resolved, That such number of copies of said Journals as shall remain, after the distribution provided by law shall have been made, shall be disposed of as the Board of State Auditors shall determine.

The question being on the adoption of the resolution,

The resolution was adopted.

On motion of Mr. Lusk,

The House took a recess until 2 o'clock this afternoon.

AFTERNOON SESSION.

2 o'clock P. M.

The House met and was called to order by the Speaker.

Roll called: quorum present.

The House resumed the regular order.

PRESENTATION OF PETITIONS.

No. 9. By mail to the Clerk: Petition of S. Thompson and 21 other citizens of Eaton and Ingham counties for the passage of House bill No. 1, for the taxation of corporate property.

Referred to the committee on Revision and Amendment of the Statutes.

No. 10. By mail to the Clerk: Petition of Herbert S. Slocum and 12 other citizens of Chippewa county for the passage of House bill No. 1, relative to the taxation of corporate property.

Referred to the committee on Revision and Amendment of the Statutes.

INTRODUCTION OF BILLS.

Mr. Chamberlain, unanimous consent having been given and leave being granted, introduced

House bill No. 15, entitled

A bill to provide for the creation of a State board of tax assessors of railroad, telegraph, telephone, and express companies, and defining the powers and duties of such board.

The bill was read a first and second time by its title and referred to the committee on Revision and Amendment of the Statutes.

Mr. Bemis:

I rise to a question of personal privilege.

The Speaker:

The gentleman will state the question of personal privilege.

Mr. Bemis:

In regard to the report in the House Journal, remarks made by myself on the floor of the House.

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The Speaker:

The gentleman will state definitely where it is located, in the stenographic report or the Journal Clerk's work.

Mr. Bemis:

The report of the stenographers.

The Speaker:

State the page.

Mr. Bemis:

On page 50. I will call the attention of the House to the report of remarks made by myself. In the report as printed in the Journal it seems to me that there are things I did not say, and that there are things that are different from what I said them. In the first place the reporter makes this statement, first line, "This seems to be a day and age of the world peculiarly prolific of evil." I made no such statement. "Peculiarly prolific of petitions," was the statement made by myself.

Further on, in answer to a question made by the Member from Wayne, Mr. Atkinson, concerning what right we had to ask the Governor to grant us the request included in the resolution then before us, I stated that I should presume we had the same right as our brethren not so fortunate as to have seats in this House,—not so unfortunate as to have seats in this House,—that we have the right to petition the same as they have. I will say that the corrections I have made in the Journal in pencil. Further down in the report this statement is made, "There was a bill for the illegal taxation of railroads." I certainly made no such statement. My statement was, there is a "bill for the local taxation of railroads."

The Speaker:

The Chair rules it is a question of personal privilege. The gentleman may make as many corrections as he sees fit.

Mr. Bemis:

Again in the report of the public hearing before the committee on page 19, March 25th, in answer to a question asked by the chairman of the committee, and giving reasons why the bill under discussion had been introduced by myself, I am quoted as saying, "I am pleased to know that our Governor has taken the course he has taken in the matter." That was not the answer. The answer was with reference to the question of two-cent fare, and I said that the Governor had followed in a legal course on that question under the law of 1891. I made the statement that it had seemed evident to me that we might accomplish something in litigation under the statute of 1897. On the question of taxation laid down for us by the Governor, that was in regard to fare under the statutes of 1891.

Further down "Legislation is a compromise;" I said, "supposed to be a compromise." In the same paragraph making reference to a call upon the Governor, the special order was on last session for considering railroad bills. I am quoted as asking the Governor if he knew what it was. I object, Mr. Speaker, as I have not asked the Governor such a question. I have made these corrections in the Journal, and I move you that the Journal be corrected according to the corrections I made, unless it can be shown by this House that my questions are improper.

The Speaker:

The statements you made in open session is all you refer to. The gentleman from Montcalm moves that the record be corrected so as to corre-

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spond with the corrections mentioned in the motion. Are you ready for the question?

The motion that the Journal be corrected, then prevailed.

Mr. Chamberlain:

Mr. Speaker, I move that the House do now adjourn.

The Speaker:

The Clerk will make an announcement.

The Clerk:

I am requested to remind the members that a public hearing before the committees on Revision of the Statutes and Railroad Taxation will be continued on the floor of the House at 3 o'clock.

The Speaker:

The Chair hopes that all members of the House will be present at that hearing. The Journal Clerk desires to make a statement.

Journal Clerk:

The members of the House will understand that the stenographic report is copied by type-writers as rapidly as possible and that there is no opportunity for corrections and comparison of the notes with the copy that goes to the printer. The next morning when the Journal comes out I go over it as carefully as I can and make numerous corrections. Some of the things to which Mr. Bemis has referred attracted my attention and seemed to me not to be correct, and I called the attention of the stenographers to it. We have to push the work in order to get the paper out the next morning, and time does not permit of the absolute correctness which is desirable. It is a fact that printers do make mistakes. Theirs is all night work. We have compared our copy with the work that has come from the printer and have found numerous errors. I am accustomed to that, and all the time expect it. If the members will be so good as to call my attention as early as possible to those errors, we shall be more than pleased to make the correction, so that the Journal will be satisfactory.

The question of adjournment then being taken,

The motion prevailed.

Lansing, Wednesday, March 30, 1898.

The House met pursuant to adjournment and was called to order by the Speaker.

Prayer by Rev. Mr. Campbell.

Roll called: quorum present.

Absent without leave: Mr. Petrowsky.

On motion of Mr. F. Shepherd,

Leave of absence was granted to all absentees for the day.

By unanimous consent,

Mr. Gustin offered the following:

Whereas, The Supreme Court of the State of Michigan, upon the 21st day of December, 1897, rendered a decision in the case of The Connecticut Mutual Life Insurance Company, petitioner, vs. Eugene B. Wood

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and Auditor General, respondents, wherein they construed section sixty-one of the general tax law, being act number two hundred and six of the public acts of 1893, to be that the Auditor General under the provisions of this section had no authority to include in the annual petition provided for in said law lands held at that time under a previous sale; that afterwards, the Court upon its own motion, granted a re-hearing in said cause and withheld said decision; that upon the 29th day of March said Court again reached the same conclusion stated in its former opinion; and a copy of said opinion is hereto annexed and made part of this resolution; and

Whereas, The effect of this said decision is that there is no law whereby the State of Michigan can enforce the collection of many thousands of dollars due for unpaid taxes, and of which, unless some law be enacted to enforce the collection thereof, the State will only receive a very small percentage; and

Whereas, By the force of said decision the State has no title to thousands of descriptions of land which have for a great many years been held as State tax lands; and

Whereas, By force of said decision sections 127 and 131 inclusive, of act number 206 of the public acts of 1893, being what is generally known as the State Tax Homestead Law, becomes inoperative and of no effect; and

Whereas, Under the provisions of said sections, thousands of acres of land have been examined and been deeded to the State by the Auditor General as State tax homestead lands; and

Whereas, Thousands of citizens of the State of Michigan seeking to take the benefit of the provisions of these sections of said act and acquire homesteads under the provisions of said act, have made application to the Commissioner of the State Land Office, and have been licensed by him under the provisions of said act to settle upon said lands and have settled on said lands and made valuable improvements thereon; and

Whereas, The force and effect of said decision will be to deprive thousands of innocent and helpless people of their homes acquired under the provisions of said sections; therefore be it

Resolved, That His Excellency, the Governor, be, and is hereby requested to recommend by special message, that the general tax law of this State be so amended as to meet the exigencies of such defect and that some legislation seeking to relieve the thousands of homesteaders who will be affected by the aforesaid decision be enacted.

Supreme Court of the State of Michigan

The Connecticut Mutual Life Insurance Company,
Petitioner,

vs.

Eugene B. Wood and the Auditor General,
Respondents.

Filed December 21, 1897.

Long, C. J.:

In 1894 defendant, Wood, purchased the land involved here at the annual tax sales held in Wayne county that year. He also at the same

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time purchased the same description of land from what is known as the State tax land list, those lands having been bid in by the State at the sale of 1893 and the bids still held by the State.

The petitioner filed its petition on March 27, 1897, in the Wayne Circuit Court, in Chancery, to have these sales set aside and the deeds cancelled, alleging among other things that it was and for several years prior thereto had been interested in such premises, being the owner of one tract and mortgagee of the other; that the first is of the value of $5,000 and the other $14,000. There are several grounds upon which it is asked to have the sale set aside, only one of which need be considered, as that is decisive of the case.

Both these parcels of land were bid off to the State at the tax sales of 1893 for the taxes of 1891, and were so held by the State during the years 1893 and 1894, and at the time the lands were included in the petition made by the Auditor General for the sales to be made in 1894 for the sales in 1894 for the taxes of 1892.

Section 61 of the tax law of 1893, among other things, provides: "Lands hereafter bid off in the name of the State and thus held shall not be included in such petition;" referring to the petition of the Auditor General for the sale of lands returned delinquent. The contention of counsel for petitioner here is that these lands being held by the State under the bid of 1893, for the taxes of 1891, the Auditor General had no authority under this statute to include them again in the petition for the sales in 1894 for the taxes of 1892.

On the other hand, counsel for Mr. Wood admits that this might be a reasonable construction of the statute were it not for other provisions to which he calls attention.

Section 68 provides: "All lands bid off for the State, as provided in this section, shall continue liable to be taxed in the same manner as if not held as belonging to the State, and all such taxes shall be a charge and lien upon such lands as in case of other tax lands, except as hereinafter provided."

Section 70 provides: "If any parcel sold under the provisions of this section shall also be offered at the same sale as State tax lands, the purchaser must also at the same time become the purchaser from the State tax land list, and pay the taxes, interest and charges remaining unpaid thereon, and must pay all the remaining unpaid taxes assessed for the year for which he purchased, with interest thereon. All sales made in contravention of this requirement shall be void."

Section 80 provides: "In all cases where a description of land is offered as State or county tax land, and the same description or any part thereof shall be offered in the list of lands delinquent for taxes, as provided in this act, the County Treasurer shall inform the person bidding for the same of that fact, and such person shall be required to purchase said description at the same time, and if he refuses so to do, the Treasurer shall refuse his bid, and shall again offer it as if no bid had been made thereon."

Section 85 provides: "Neither the sale of State tax lands, nor the sale of any of the bids of the State for which the time of redemption has not expired, shall in any wise prejudice the right to enforce the collection of any tax subsequent to the year or years for which the same has been sold as aforesaid; and for the taxes and charges remaining

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unpaid for said subsequent year or years the Auditor General shall cause such lands to be offered in regular succession at the next ensuing annual sales for taxes, giving notice as required by law, unless previously redeemed or otherwise discharged."

The contention is, that reading these sections together but one conclusion can be reached as to what the Legislature intended and that is that a resale may be made each year though the State holds the lands under former bids.

We think this construction cannot be given the statute. The provisions of section 61 above quoted may be given force and yet the other provisions referred to by counsel stand. What is meant by the language used in section 61 is that when lands have been bid off to the State and are yet held by the State, such lands shall not again be sold for the delinquent taxes of succeeding years. Of course it would follow that while the State had assigned its bid the lands would be again subject to sale, as it would be the duty of the purchaser of such bids to pay the taxes of succeeding years.

The Auditor General, under the provision of section 61, had no authority to include these lands in the petition for the sale for the year 1894, as at that time the State held them under the bid of 1893.

The Court below by its decree having reached the right result, that decree must be affirmed, with costs against defendant Wood, he alone having appealed.

Grant, J., did not sit.

The other Justices concurred.

Filed March 29, 1898.

On rehearing.

Grant, C. J.:

After able arguments by several eminent counsel, several exhaustive briefs and a careful examination by ourselves, we again reach the same conclusion stated in the former opinion.

1. Counsel for the defendants now seek to sustain their position by applying a restricted meaning to the word "lands" in the statute. They insist that it does not mean the lands and the title thereto, but only such interest as the State has acquired by former sales, and that only that interest is excluded from the petition. This contention cannot be maintained. The term has a well defined meaning. There may be cases where in instruments or in laws other language may be used showing that a term is used in a restrictive sense. We, however, find no language in this statute which can be construed into a restriction of a well understood term "lands."

"In law, 'land' signifies any ground forming part of the earth's surface which can be held as individual property, whether soil or rock, or water covered, and everything annexed to it, whether by nature as trees, water, etc., or by the hand of man, as buildings, fences, etc." Cen. Dic. & Enc.

When the lien given by the statute is foreclosed by the court in chancery the evident purpose is to convey to the State or to the private purchaser, the absolute title in fee, a title which completely destroys the original one. It is of no significance that the State does not bid in the lands for speculative purposes, and or that it acquires no possessory rights therein, or that it remains liable to taxation for successive years. When

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the lien is foreclosed the land sold, the time of redemption expired, the State or the private purchaser owns the complete title in the land or it owns nothing. The law may preserve the lien in case the title is held void, but that does not affect the title of the quantity conveyed, which is the entire or nothing.

2. Section 61 provides for the contents of the petition which must have annexed thereto lists or schedules containing "a description of all lands in such county upon which taxes have remained unpaid for more than one year prior to the first day of May, 1893, or the first day of May in the year the petition is filed, etc." Then follows an express prohibition as to lands "hereafter bid off in the name of the State and thus held." It is conceded that this language standing by itself can have but one meaning, and that it should control, but for other provisions of the statute which are incompatible with it.

Usually when negative words are used in a statute it becomes imperative and mandatory. There is no room in such case to hold that the language is directory simply. Pond v. Negus, 3 Mass. 230; Stayton v. Hallings, 7 Ind. 144; Koch v. Bridges, 45 Miss. 247; Sibley v. Johnson, 1 Mich. 380.

Can this express language prescribing what shall not be included in the petition be set aside and held meaningless from the fact that there are other provisions following it in the statute which seem to contemplate that the petition might also include things which are thus executed? We think not.

These incompatible provisions appear to have been taken bodily from previous statutes. Considering the frequent and continuous changes made by the Legislature in the tax laws, the haste of legislation and the inexperience of many upon the subject it is not surprising that many incongruities creep in. This court has frequently had to deal with such legislation, which oftentimes presents difficult questions. It was said by Mr. Justice Campbell in Attorney General v. City of Detroit, 71 Mich. 97: "The frequent and careless revision and re-enactment of charters for Detroit has led to a good deal of confusion."

Treating the question from the statute alone, we are compelled to hold that the incompatible sections quoted in our former opinion do not destroy the clear and unequivocal provision of Section 61.

In addition to the section cited in the former opinion Section 127 of the tax laws of 1893, is also cited as being incompatible with the provisions of Section 61. It reads as follows:

"Whenever it shall hereafter appear that any lands delinquent for taxes have been bid off to the State for a consecutive period of more than three years, and that no application has been made to redeem or purchase the same, it shall be the duty of the Auditor General and the Commissioner of the State Land Office when requested so to do by the township board of the township wherein such delinquent lands are situated, to cause an examination of such lands to be made as soon as practicable, to ascertain their value, and the cause of the non-payment of taxes thereon, and if it shall appear that such lands are barren, swamp or worthless lands, and have been abandoned by the owner upon a certificate being filed by the examiners to that effect, the Auditor General is hereby authorized to make a transfer by deed of the same to the State, as to individuals, as provided in this act, which deed shall be recorded in the proper county and a copy

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filed in the office of the Commissioner of the State Land Office, and said commissioner shall thereafter hold such lands as State lands, subject to sale as hereinafter provided."

It must be remembered that the act of 1893 does not exclude from the petition lands which have theretofore been bid by the State, but only lands which should be thereafter bid in and held. The State at that time owned many thousand parcels of land, bid in at former tax sales. To such lands Section 127 clearly applies, and after there had been one sale of lands under the act of 1893, which had been sold annually for the taxes of previous years, they would come within this section. To this extent Section 127 can be given effect in harmony with Section 61.

3. It is, however, very strenuously urged that the Auditor General's Department has given a practical construction to the statute which is binding upon the courts.

Prior to 1882 no judicial determination of the validity of the tax prior to the sale was provided for. Owing to the carelessness or negligence, or both of officials charged with the assessment and collection of taxes, the proceedings were notoriously defective, and a tax title was seldom sustained by the courts. The statutes prior to that time expressly provided for annual sales from the State tax land list and from the tax record for the current year. The provision of Section 61 first appeared in the tax law of 1882 and in the identical language found in the present law.

Sec. 53. Tax law of 1882, 1 How. St., p. 1279.

Nothing is found in that statute to qualify or restrict the provision. Section 66 of that act provided for the re-sale of lands bid off to the State. The Auditor General was to furnish a statement of all such lands to the county treasurer. The Auditor General was to publish a notice for three weeks next previous to the day fixed for the annual tax sale. It also provided: "Such notice shall not describe the lands or state the amount of taxes and charges thereon." This act for the first time in the history of the State provided for a judicial determination upon the validity of the tax before sale and contemplated that a decree and sale should be final and conclusive. The methods of the old law were entirely superceded and have no bearing upon the question before us.

If it be conceded that the Auditor General included in the petition filed under this law, lands which have been bid off to the State and thus held, such action would not constitute a practical construction. There was nothing to construe. The language was so plain that "he who runs might read" and understand it. Such action would be a practical disobedience rather than a practical construction.

It was conceded by the Attorney General upon the argument that this provision in the act of 1882, where it first appeared, was susceptible of but one meaning, and that lands bid in by the State and thus held must be excluded from the petition. When were its purpose and meaning changed? The Auditor General could not change them by disobeying them. There is nothing in the act passed between 1882 and 1893 to indicate such a change. For the first time we find in the law of 1893 some incompatible provisions.

This law of 1882 became inoperative by an equal division of this court.

State Tax-Law Cases, 54 Mich. 350.

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It was repealed in 1885, and the Legislature returned to the old system. This provision was restored by the act of 1889. It was eliminated by the act of 1891, and again restored in 1893. Section 69 of the law of 1889 contains the same provision as does section 66 of the law of 1882 in regard to State tax lands, viz.: The Auditor General furnishes the county treasurer with the same statement, and publishes a four weeks' notice which "shall not describe the lands of state the amount of taxes or charges thereon." There is nothing in the law of 1889 which would justify the Auditor General in including in the petition the prohibited lands.

The construction placed upon the act of 1893 has been too early challenged to justify the courts in following the construction apparently placed upon it by the Auditor General's department. We are not pointed to any opinion from the legal department of the State sustaining such construction, and which has been followed, as was the case of Atty. Gen. v. Glaser, 102 Mich. 408.

The policy of this provision in the acts of 1882, 1889 and 1893 was, as already stated, to adjudicate the validity of the taxes before sale, and also to avoid the expense of publication. The taxpayer was to be given his day in court. If the decree was against him, his only remedy was to pay, and if he did not pay the State was clothed with the complete title. If he appeared the decress was conclusive. If he did not appear, it was equally conclusive provided there were no jurisdictional defects which were not within the curative provisions of the law. The State was sufficiently protected and the Legislature had prescribed the terms under which the State should part with its title. The land was still subject to be taxed, and he who purchased from the State was required to pay all the subsequent taxes assessed upon it before he could obtain his deed. If the taxpayer redeemed within the time provided from the sale in any year, the tax for the subsequent year still remained a lien upon his property. If he redeems before the filing of the petition in the subsequent year, his land can be included in such petition as delinquent for the year following the one for which it had been sold and from which he redeemed. If he redeemed too late for inclusion in such petition, we think it may be included in the petition for the next year. If, however, there were no way provided for the enforcement of such liens there would simply be a defect in the law.

The court of chancery has only such jurisdiction in tax proceedings as the statute gives it. Section 61 alone confers that jurisdiction and is substantially the same as in the previous acts. It differs from them only in being more explicit as to the contents of the petition. The Legislature was particular to state what the petition should contain, and possibly excluded certain things from it. No other section of the statute attempts to limit or define its contents or to confer jurisdiction. Naturally, therefore, the Auditor General must look to this section for his authority in preparing his petition and that authority cannot be enlarged by the courts.

4. It is provided by section 131 that the lands mentioned in section 127 shall be subject to homestead exemptions. Counsel for the Auditor General made a statement in their brief of the number of acres on which taxes had been cancelled under this provision, and also the number that

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had been homesteaded, and asks what shall be done with these homesteaders, and what is to become of their improvements?

The plain provisions of the law could not be set aside even though disastrous consequences should follow, but the homesteaders are amply protected. Section 73 provided that no sale shall be set aside where the purchaser, his heirs or assigns, have been in actual undisputed possession for five years, and whenever such sale is set aside within five years, the court shall determine and decree the value of improvements made by the purchaser, and give judgment therefor and issue execution to collect the same from the claimant before putting him in possession.

> Croskery vs. Busch, filed March 15, 4 Det. Legal News, 1121. See also Section 104.

So also in an action of ejectment, under 3 How. St., Sec. 7836, if the plaintiff recover, the defendant is entitled to compensation to the extent that the buildings and improvements made by him shall increase the present value of the premises.

Under these liberal statutes no great hardships can be imposed upon the homesteader.

5. It is also urged that the State would suffer great loss in the taxes it would be compelled to refund in consequence of this decision, and a statement is furnished by the Auditor General and incorporated in the brief of his counsel, showing the amount of such anticipated losses. We do not think that the conclusion of the Auditor General will necessarily follow. If, as in the present case, the taxpayer petitions the court in chancery in the Auditor General's proceedings to foreclose a lien, the court will compel him to do equity. If the taxpayer is in possession and files a bill to remove a cloud from the title, the court may then compel him to do equity. If in an action of ejectment the title is held void, or if the purchaser is refunded his money, it does not follow that the lien is destroyed. If the present law does not provide for that emergency, it can be amended, authorizing proceedings to foreclose such liens.

6. Other objections are raised which are not important to consider. They affect mainly the proceedings at the time of and after the decree. They are defects attributable to the gross carelessness or negligence of those charged with the execution of the revenue laws of the State and are without excuse. Whether they are fatal we need not discuss. They should never have occurred. There is no reason why these proceedings should not be conducted according to the law. It is equally inexcusable in land owners to permit valuable property, as in this case, to be sold for a few dollars of taxes. There is no prevailing equity in the claim of either party.

It is essential to just and equal taxation that these proceedings be such as to convey a good title to the purchaser.

Courts should liberally construe a revenue statute so that the revenue shall be collected, but when the State or a purchaser rests upon the letter of the law, both must be content with the plain interpretation which the revenue law will bear. When the State takes the property of the citizen, it is not entitled to any strained construction of the law in its favor.

The petitioner in this case offers to pay the taxes. Speaking for myself I regret that the law does not provide a penalty to be imposed upon it,

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and also upon the officials for such gross neglect of duty. The lands are stated to be worth about $19,000 while the taxes amount to less than $50.

When the revenue officials will make just and honest assessments and see that the proceedings to enforce them are regular, which they can easily do, there will be little difficulty in collecting taxes.

Our conclusion is that there was no authority of law for including the petitioner's lands in the petition, and that the sale was void.

It is urged that adherence to our former decision will lead to confusion in the pending proceedings before the various circuit courts on the pending May sales. If any remedial legislation upon this or any other point is necessary and urgent, the Legislature is now in session, and can adopt such measures as it may consider necessary if the Exective by special message so suggests.

The decree is affirmed.

No costs will be allowed the petitioner.

The other Justices concurred.

State of Michigan,—ss. In the Supreme Court.—Clerk's Office.

I, Charles C. Hopkins, Clerk of the Supreme Court of the State of Michigan, do hereby certify that the annexed and foregoing is a true and correct copy of the opinions of the Court now on file in said Court in said cause; that I have compared the same with the original, and that it is a true transcript therefrom, and the whole of said original.

In testimony whereof, I have hereunto set my hand and affixed the seal of said Supreme Court, at Lansing, this 29th day of March, A. D. 1898.

Chas. C. Hopkins,
Clerk.

Mr. Gustin:

By the force of this decision handed down in this case of the Connecticut Life Insurance Company versus Wood and others, it practically makes our State tax law inoperative in this State. There are now upon the books of the State delinquent for taxes, over one hundred and fifty thousand descriptions of land, and by this decision there is no way to force the collection of the taxes upon over one hundred thousand of the descriptions of this land, and under this decision persons owning these lands can refuse to pay their taxes from year to year and there is no way whereby the State can compel them to pay those taxes, it will practically make these people exempt from taxation. The amount estimated by the Auditor Gneral that is affected by this decision is between three and four millions of dollars. There is no way in the general tax law whereby the collection of this can be made, and whereby the revenues of the State can be had for the State. In addition to that, we have five or six sections of the tax law, what is known as the State Homestead Law, whereby lands becoming delinquent for three years, and the owners refusing to pay the tax, the State causes an examination of those lands made, and if in the judgment of the examiner those lands fulfilled the conditions of that act, they were deeded to the State of Michigan by the Auditor General, and become subject as homestead lands. Under the provisions of this law, there has been deeded to the State of Michigan over five hundred thousand acres of land, and people seeking to take the benefit of this provision have settled upon this land; they have

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taken up now in the neighborhood of 150,000 acres of this land which heretofore was barren and unoccupied land, and of no value to anybody, which had been deserted by their owners, and they paid no revenue to the State. By the provisions of this act those lands came into the market and people were able to settle upon them. So, within the operation of this law—which has been in practical operation about two years—150,000 acres of wild land in this State has been taken up, and now there is settled upon those lands in the neighborhood of from fifteen to twenty thousand persons whose homes are affected by this decision. This is a very important question. These people relied upon this law, entered upon this land, and entered upon it in good faith, and wished to take this land and make it their home.

In the days gone by most of the land in the State was homestead land; our very best lands, the hard wood land, the finest in the State were subject to homestead entry, and thousands of people seeking land came here and settled upon this land, and are our best citizens. We have sought by that law to take up the old State tax homestead land, and what is the condition? By the decision of the court which says the Auditor General had no right to include those lands, the State of Michigan never had any title and has no title to those lands; he had no right under the decision of this court to include the lands for those years for which they were deeded to the State in the decree. This decision goes to the jurisdiction of the court to render the decree against those lands authorizing the sale of the lands to the State, in which manner the State acquires title.

The result is, unless we can do something, unless we can enact some law this session whereby we can as speedily and readily as possible acquire the title to those deserted lands so we can give title to those homesteaders who have entered upon it in good faith, the homesteaders will eventually lose all their lands, and all their homes that they have taken up.

In addition to that, the State of Michigan has caused an examination of thousands of acres more to be made, and there is now waiting to be deeded to the State of Michigan, lands suitable for homestead purposes upwards of one millions of acres more of land, so it makes the domain of State tax homestead lands equal to about one million five hundred thousand acres.

These are questions we must meet, not only to relieve the poor homesteaders, but also to provide for the revenues of the State which are affected thereby. I hope this resolution will be adopted.

The Speaker:

Are you ready for the question?

Mr. Perry:

It is currently reported that this decision renders it necessary for the State of Michigan to refund a large amount of money that has been paid in under the operation of the law, which is claimed is inoperative. I would like to ask Mr. Gustin whether there has been any action on that point.

Mr. Gustin:

Some contend that we would have to refund, and some contend that we would not have to refund.

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Mr. Kelly:
I would like to hear the resolution re-read.
The Speaker:
The clerk will re-read the resolution.
The resolution was again read.
The question being on the adoption of the resolution,
Mr. Kelly demanded the yeas and nays.
The demand was seconded, and the resolution was adopted, by yeas and nays, as follows:

YEAS.

Mr. Adams	Mr. Eikhoff	Mr. Niedermeier
Allison	Fleischhauer	Oberdorffer
Alward	Foote	O'Dett
Anderson	Foster	Otis
Babcock, H.	Fuller	Pearson
Babcock, C. G.	Gibson	Peek
Bates	Gillam	Perry
Belknap	Goodell	Peters
Bemis	Goodyear	Phillips, C. C.
Billings	Graham	Phillips, M. F.
Bricker	Green	Putney
Bryan	Gustin	Reed
Buskirk	Hammond	Rulison
Cahoon	Harris	Savage
Caldwell	Herrig	Sawyer
Camburn	Hofmeister	Scully
Campbell	Jackson	Shepard, F. M.
Chamberlain	January	Shepherd, F.
Clark	Kelly	Shisler
Clute	Kerr	Smith
Coad	Kimmis	Tefft
Colvin	Lusk	Van Camp
Connors	Madill	Vought
Cousins	Marsilje	Washer
Crippen	Mayer	Weier
Davis	Miller	Whitney
Dickinson, J. H.	Molster	Widoe
Dickinson, L. D.	Moore, E. W.	Wing
Donovan	Moore, M. G.	Speaker
Dudley		

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During the calling of the roll, the Speaker recognized Mr. Peters.

Mr. Peters:
I demand the vote of the gentleman from Wayne.

Mr. Atkinson:
I ask the House to excuse me from voting on this resolution. I didn't hear it all read and I trust the House will excuse me from voting upon it. It involves, as I understand it, pretty severe criticism of the view of the Supreme Court of the State and I do not care to question the resolution or vote for it.

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The Speaker:

The Supreme Court is not criticised either adversely or otherwise in the resolution.

Mr. Atkinson:

I am glad of that but I thought from the tone that it did. I have not heard the whole of the resolution and as the majority is large I hope the House will not insist upon it.

The Speaker:

Will the gentleman withdraw his demand?

Mr. Peters:

I didn't hear the excuse of the gentleman from Wayne.

Mr. Atkinson:

I didn't hear all of the resolution read.

The Speaker:

Does the gentleman withdraw his demand?

Mr. Peters:

I will withdraw my demand.

Mr. Bemis:

We would ask the Chairman to have the resolution re-read at this time.

The Speaker:

It will not be ordered at this time.

By unanimous consent,

Mr. Sawyer offered the following:

Whereas, His Excellency, the Governor, has called public attention to Section 6 Article 5 of the Constitution of this State by which he is commanded to take care that the laws be faithfully executed, and also to Section 7 of the same article by which he is permitted to convene the Legislature in extra session, and also to the fact that by Section 11 of Article 15 of the Constitution it is made the duty of the Legislature to provide a uniform rate of taxation, and to the fact that by Section 12 of the same article, all assessments hereafter made shall be on property at its cash value; and

Whereas, His Excellency is of the opinion that the spirit if not the letter of this Constitutional provision has been from time to time violated to such an extent that while the railroad companies, express companies, telephone companies and telegraph companies now own at least one-third of the property of the State, they pay only one twenty-sixth part of the taxes of this State, and to such an extent in the opinion of his Excellency has this injustice and open violation of the Constitution been practiced that to-day the taxation in many parts of the State has become in the nature of confiscation, and that the amounts levied have become greater than the property taxed can be made to produce; and,

Whereas, His Excellency regards this situation as extraordinary, demanding immediate remedy, and a remedy that can only be given by the Legislature, and for that reason he has convened this Legislature in extra session, and has unquestionably by mistake limited the matters to be considered by it to the question of the taxation of railroad companies, express companies, telephone companies and telegraph companies, when as matter of fact the street railway companies, the electric railway companies, the gas companies, the electric light companies, the foreign and domestic insurance companies, the river and harbor improvement com-

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panies, the plank road companies, the palace sleeping car and freight companies and the waterway companies doing business in this State or partly in this State and partly in some other state or country, are not bearing their just proportion of the burdens of the taxpayers of this State, and some of them escape taxation almost entirely; and,

Whereas, All of said last mentioned companies come within the spirit if not the letter of the special message of his Excellency; and,

Whereas, Also by said special message His Excellency has reminded us that the first essential of just taxation is that it shall be equal and that to exempt one person from taxation is to rob another and to provide a low rate for one and a high rate for another is despotic, and that such a system of taxation is robbery, and the persons who receive the benefit thereof are robbers and are on a level with the old slave holders; and,

Whereas, By this charge every man whose property is not assessed at its cash value becomes one of the robbers, of which His Excellency speaks; and,

Whereas, It is a manifest injustice to the honest taxpayer to bear any unjust taxation and much less a taxation that amounts to confiscation, while the corporations of this State are escaping taxation; and,

Whereas, By reason of the special charters of certain railroads it is believed to be impracticable, if not in fact impossible, to pass any law that shall compel them to bear their just share of the taxes until their special charters have been repealed or amended; and,

Whereas, It has always been the policy of the Republican party so far as possible to require any and all persons, firms or corporations in this State to bear their full share of the burdens of taxation; and,

Whereas, His Excellency has communicated with the United States Senators and Representatives from this State, and asked their opinions in relation to the propriety of increasing the taxation upon corporations; and,

Whereas, Our distinguished United States Senators, James McMillan and Julius C. Burrows as well as every Representative in Congress from the State of Michigan, have announced that in their judgment the corporations of this State are not paying their just share of taxation, and that some law ought to be devised by which they shall be compelled so to do; and,

Whereas, Our late retiring Governor, Honorable John T. Rich, in his last message to the Legislature of the State of Michigan, and through his public utterances has also called attention to this defect in our present laws; and,

Whereas, The Republican party has favored a revision of the laws respecting taxation of corporations; and,

Whereas, This being the opportune time for the consideration of this intricate and complex problem,

Now, therefore, in order that justice may be done, and the people of this State properly relieved from an unjust burden and in accordance with the doctrines of the Republican party as announced in the manner aforesaid and in full accord with the special message of His Excellency, the Governor of this State, delivered to both Houses in joint convention assembled in this special session,

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Be it resolved, That His Excellency, the Governor, be and he is hereby respectfully requested to send to this Legislature a special message recommending—

First, That all special charters of railroads heretofore granted and now in force in this State be repealed in the manner provided for by the Constitution and laws of this State.

Second, That the property both tangible and intangible of all street railway, all electric railway, all electric light companies, all gas light companies, all insurance companies, all river and harbor improvement companies, all plank road companies, all palace car and freight companies, and all waterway companies, doing business in this State or partly in this State and partly in any other state or country, shall be ascertained fully and fairly and taxed in the same manner and to the same extent as all railroad, telephone, telegraph and express companies are or shall be taxed.

Mr. Atkinson:

I arise to a point of order.

The Speaker:

The gentleman will state his point of order.

Mr. Atkinson:

That this resolution should stand over under the rules.

The Speaker:

It is not a concurrent resolution. It is only concurrent resolutions that stand over under the rule.

Mr. Atkinson:

It is simply for this House?

The Speaker:

It is simply for this House.

Mr. Sawyer:

In the preparation of the resolution that is submitted to this House we had in view to include in the resolution only those corporations that come within the perview of the Governor's message. If it shall be found upon examination by this House, or any gentleman feels any portion of this resolution ought not to stand, I would be glad to join him in striking out of it any such portion as in his judgment, or in the judgment of the House, would be improper for the consideration of the House and the Governor. I desire that this House shall meet this question fairly and squarely. I want every member of this House to have an opportunity to state to his constituents whether or not he is in favor of equal taxation of all corporations. I desire that we shall have an opportunity before we return to our constituents to put ourselves upon record as to whether or not these corporations shall any longer be permitted to escape from a just share of the taxation of this State. Mr. Speaker, it is no answer to this to say that this is an effort to side track his Excellency's measures. I disclaim for one the slightest intention in that direction. Neither is it any answer to this resolution to say that we are endeavoring to smother the question of railroad taxation. It stands aloof from all that question. It touches it in no way whatever. It does not undertake to bind any member of this House upon any vote he may see fit to cast upon the Governor's bill, so called. It leaves every member here with full liberty to cast such vote as he thinks is in accord with the message of his Excellency. It

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draws no line of that character, but it goes back to the root of the evil, and it proclaims to the people of this State that we are here assembled for the purpose of doing what we exactly believe. We insist that these corporations that are escaping today from a just share of the taxes shall be put upon the tax roll and pay their proportion of the burden of this people.

I have no doubt that some of my distinguished friends in the House will be upon their feet and say this is another effort to side track the Governor's bill. I want to say that there is no possible argument that can meet such a condition of things. If this measure is improper, if this measure is wrong, I call upon the members of this House to tell me where it is wrong. If it includes what it ought not to include, I call upon the distinguished gentlemen representing those institutions to tell where it includes anything that it ought not to include, that it may be investigated.

It is no answer to have the words pass down the line and say "Stand by your guns, boys, and let us vote it down." I had an opportunity once in my life to witness the stampede of a herd. There was no human wisdom sufficient to find out what started that herd in the stampede, and there was absolutely no power on earth that could stop it.

I submit that it is no argument to send the word down the line "To stand by your Governor and we will stampede this House upon any question." Let us exercise our own best judgment; let us be willing to go back to our constituents and say to them that we wanted to investigate this whole subject, we were anxious to relieve you if we could from the burden of taxation. Let us meet it like men. Let us meet it in every phase in which it is presented here and if it is wrong, meet it by argument.

Mr. Speaker and gentlemen, I want to call your attention to the fact that we have asked in this resolution and preamble for nothing more than what his Excellency has most fully portrayed in his message. We want to make a law that will stand the test of the courts, and we must take into consideration the constitution of this State, and we must take into consideration the special charters of these roads. We cannot escape that question. There is not a constitutional lawyer in the State but what will tell us that in order to make this bill an operative law it is necessary to repeal those charters. It does not answer that question to say that this bill repeals them. Because, Mr. Speaker, if it is true the Governor's message does not cover this question; if it is true that his message does not submit to the consideration of this House the question whether or not we may repeal the charters, then this bill is not within the pervue of the Governor's message and ought to be covered by it. If, on the other hand, it should be said it does do it, then I want to call the attention of my distinguished friend to the fact that it is open to the objection that it includes two objects, which is contrary to the constitution of this State.

Let us get away from that, if possible. Let us ask the Governor to send to this House a message that will permit us to consider that question as an independent question, and to prepare the matter in accordance to the constitution. I call my friends' attention also in this connection that the constitution of the State of Michigan requires that any act repealing any special charters or amending any special charters here-

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tofore granted or hereafter granted shall require a two-thirds vote of the members of both Houses. There is no question about that. For the passage of this measure as a bill it requires but a majority vote. There are two subjects included in this bill. Why should we not do it? Is not this an opportune time for considering the question of a repeal of these charters? The people of the State of Michigan have been awakened upon this subject. They have said in unmeasured terms, and from every quarter of the State and from every hamlet in the State, that we shall pass a law that will stand the test of the courts and put these people upon record and compel them to pay their just proportion of the taxes. Why not do that? The Governor has recommended it in his message, and I say this is the time to consider it; we are here with that duty before us, and why not consider it?

I will say another thing in passing: There is no such thing in this country, or any other, as a monopoly of honesty, as a patent upon integrity, or a corner on truth. Every gentleman in this House is entitled to the exercise of his own free will; this is his duty, to do it here and now. I address his conscience—I ask him to try himself in the court of his own conscience, and in the eyes of his constituency answer that question whether now is not the proper time to consider the great question whether or not these charters shall be repealed.

Where is there any man of intelligence in the State of Michigan who does not fully understand that no tax can ever be levied upon any of these railroads that have special charters, without repealing the charter, unless they see fit to accept it? Who does not know that if the State shall attempt to attack the charters of those special roads, except by repealing them, it will be vanquished by the constitutional provision that I have just noticed.

Consider this question fairly, honestly and intelligently now, and ask the Governor to give us an opportunity to dispose of it here and now.

There is another question in this connection that I desire to call your attention to, and that is that we are solicited from every quarter to grant, by the people of this State, for equal taxation. I understand that this question has to some extent been discussed before in this House, and I understand that it has been voted down, in my judgment, because it had in contemplation the complete review of the tax laws of the State of Michigan. It was voted down, in my judgment, because the gentlemen in this House thought it was an improper time now to consider the question of the taxation of real estate and personal property generally over the State of Michigan. And in view of that fact, I have endeavored to draw up this resolution entirely within the purview of the Governor's message and the petitions that have been sent to us. Now I have left out of it the perplexing question of taxation of real and personal property, and do not seek to spread a tax where the valuation, in the honest judgment of the supervisors must often differ. The manner in which it can be corrected is not apparent, and the question is not before us.

Sir, equal taxation—taxation of corporations, is the war cry of the Republican party, and it has been ever since I have been a member of it. Wherever we have failed, if at all, we have failed in the interest of the public, we have failed because to increase the tax would be strik-

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ing at public improvements that could not be constructed if taxes were increased.

Let me call the attention of the members of this House to the fact that in his retiring message the lately retiring Governor, John T. Rich, after referring to the subject of taxation at great length, stated as follows: "It only needs to be stated that railroads, like individuals, should be governed by the same laws, and be subject to the same burdens for the support of the government. I trust this question will receive your careful attention."

And I want to say in this connection that I have the utmost regard for His Excellency, the Governor of this State, for his many good qualities, both of head and heart; I respect him, but I must confess sir, that in my humble judgment he has been unwisely advised in this particular. I want to call your attention to the fact that there are railroads and corporations in this State that are not paying their proper tax, and they ought to be brought within the purview of the law and compelled to bear their share.

I want to call your attention also to the Governor's message, sent to us upon this special session: "In my message of Jan. 6, 1897, I called your attention to this subject, and suggested that a board should be appointed which should determine the exact value of all corporate property not now taxed locally, and levy taxes thereon in the same proportion as private property now bears. In my message of May 6, 1897, I again called your attention to the subject and expresed a hope that you might devise some means of equalizing in a measure, at least, the burdens of taxation."

Mr. Atkinson:

I would ask permission to ask the gentleman from Washtenaw a question.

The Speaker:

Does the gentleman from Washtenaw desire to be interrupted?

Mr. Sawyer:

I have not been schooled in the method of procedure in the matter of asking questions solely for nothing.

Mr. Atkinson:

I desire to ask a question.

Mr. Sawyer:

If it is good it will keep.

Mr. Atkinson:

I desire to make a motion, and I move that the gentleman be no longer heard by this House, and upon that——

The Speaker (interrupting):

The chair will hold that motion out of order. The member cannot be taken from the floor by any such motion.

Mr. Atkinson:

Will the Speaker allow me to cite precedents?

The Speaker:

The chair will rule that no debate can be had upon a point of order. The chair has invariably held that no debate can be had upon such a motion; and the chair has invariably ruled that a member cannot be taken from the floor by any subterfuge of strategy.

Mr. Atkinson:

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What does the Speaker mean? Does he mean charging that to me?

The Speaker:

I am not charging that to you—not at all. I am simply referring to my former rulings. The Speaker does not mean any strategy in regard to this motion.

Mr. Atkinson:

It seems to me that this House has the power to protect itself against—

The Speaker (interrupting):

The chair holds the gentleman from Wayne not in order. The gentleman from Washtenaw may proceed with the debate. The gentleman from Washtenaw has the floor.

Mr. Sawyer:

I will call your attention to it in which he says: "The amount levied being greater than the land taxed can be made to produce." In the same message I call attention also to this quotation: "The first essential of just taxation is that it shall be equal. To exempt one person from taxation is to rob another. To provide a low rate for one and a high rate for another is despotic."

On page two of the same message we find the following: "The inequality of our taxation is so great that it should not be permitted to continue for another year; I have therefore called an extraordinary session to consider and provide proper remedies."

On page 6 of the same message, he says, "They place the defrauded taxpayer who is robbed of his money on the same level as the defrauded slave who was robbed of his liberty. There is in fact no distinction. The slave holder absorbed the earnings of the slave by making him work without compensation. Those who evade the payment of taxes do the same thing when they compel their neighbors to pay an unjust proportion of their earnings into the treasury. The crime is the same."

Now, following this line of thought the distinguished Governor of this State has permitted, at least, a certain circular letter to be printed containing a petition, and circulating among the people of this State. I call attention to the fact that while every one of you represents some district in the State of Michigan, not one single solitary one of these petitions have been returned to you. If this petition is for the purpose of influencing this Legislature to proper action, why shouldn't we be permitted to see and have returned to us as representing the districts, these petitions. In some sense, I stand nearer to the people of my district that the Executive can possibly stand. I want to know what they have got to say upon this subject, and I am very glad that it was deemed prudent and proper that their attention should be called to it, but I think it is just to me to have those petitions returned to me in order that I might see whether the men who were petitioning me were voters or not, whether they were minors or not, whether they were non-residents or not, to what political faith they belonged. But the letters have been printed that accompanied these petitions, they have been printed and placed upon our tables for the prpose of calling our attention to what our constituencies believe, and I want particularly to call attention of my brethren of the House to these communications, and let us see what it is the people are asking this Legislature to do. I find the following among others, and I will not stop to read them all: "Governor H. S. Pingree, Lansing, Michigan. You are one of the smartest and best men that ever lived. Money cannot buy you,

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corrupt corporations cannot bend you, and calling this special session of the Legislature is one of the best things you ever did. For God's sake and our sake equalize our taxes with a mighty hand. What is our country up here but a great Sahara? Where is our pine, and who has got it, and how did they get it? It is nothing but robbery; the taxes here were never half paid, and never was this timbered land assessed at one-half its value. Go after them, Gov. Pingree, with grape and cannister, sub-marine mines and torpedo boats and free at least our State from this worse than pestilence, these cloven footed, oily tongued, organized gang of tax-dodging millionaires, philanthropists, nit." He wants equal taxation. He asks us for equal taxation.

"Bay City, March 17th, 1898. Honored Sir: Please allow me to say when I speak my opinion on equal taxation and favors to none, I but speak the opinion of at least 999 of every one thousand in this county." Signed C. H. Freeman.

"Grand Rapids, Michigan. Dear Sir: Please find enclosed lists containing 115 names. We hope that you will be successful with both Houses, compelling them to make a law for just and equal taxation." What are these people asking us for? Oshkosh, Wisconsin, takes a hand in it. And she says to us: "I am with you in your cause for equal taxation, and no favors to either great or small, weak or strong."

Bay City comes to the front again. "They all endorse the efforts you are making in behalf of equal taxation. Yours respectfully, James B. Barber."

Ovid. "The people are with you in your effort to equalize taxation."

Saranac. "The people in this part of the county are with you in regard to trusts and monopolies and equal taxation. I am a Democrat but your administration is good enough for me."

Detroit, Mich. "I can see no reason why railroad companies and other wealthy and money making corporations should be exempt from taxation on the same basis as the farmer and manufacturer, and I believe that the reason that these corporations have been enabled to evade taxation is because they have controlled our Legislatures by corrupt means."

We have one from Eaton Rapids, and I desire our distinguished friend from that district to listen to it. "Tax all on the basis of their property's valuation, and you will have the support of the honest people." Tax them all, not a part. We have one from Roseville, and I suppose it would smell as sweet by any other name. "From the papers I see that you oppose monopoly, and want all treated alike, so that not the few money men rule and the majority pay more than their share of taxes. I have some experience with monopoly, I am highway commissioner of Erin township, in which the Detroit and Erin Plank Road Company, so-called, operate a toll road." He includes them as a part of his letter. Let us make these corporations come to time; let us make these toll road fellows and these plank road fellows that keep a gate every two or three miles, and when we go out along the road stop us on the way, and who pay no taxes to speak of, let us include them all. I have one from—

Mr. Clute:

Mr. Speaker:

The Speaker:

For what purpose does the gentleman arise?

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Mr. Clute:
I arise to call the gentleman to order.
The Speaker:
State the point of order.
Mr. Clute:
The point of order is that under the rules of this House we are not compelled to listen to newspaper reading and the reading of pamphlets. If that is so, one man can keep this House in session until the session expires.
The Speaker:
The gentleman, in making a speech to this House, has a right to refer to manuscript and to read from pamphlets or anything of that character to explain his remarks. It has always been accorded to every member upon the floor of the House and the Chair will hold the point of order is not well taken.
Mr. Sawyer:
I hope my friend will not get nervous over this matter, there is no occasion for it. The State of Michigan has paid the expenses, not only of sending out the letter and return postage, but also for these circulars, and it has paid to put these in the form of print, and they are put on our desk here; in the name of reason what are they here for, if we cannot refer to them? They are put here for the purpose of influencing us, so that we may hear the voice of our constituents, and our distinguished Governor has had them put upon our table for our instruction and guidance.

From Shelby, Michigan. "Hoping that a measure may be enacted that will provide a system of taxation that will be just and fair to all parties interested, I remain, etc." And so I might go on through this entire book. I could take every letter in it that speaks on the subject of taxation, and show that every one of our constituents who has spoken has not asked that we shall pick out some particular corporation and smash it, or do it an injustice, but that we shall be liberal minded enough to take in all the corporations of this State who are robbers and are plundering the people in so far as they are not paying sufficient taxes.

Again, his Excellency, in order that we might have all the light upon this subject possible, and that we may not be groping in the dark, sent an inquiry to the chairman of the Republican State Central Committee, and I think his answer was not entirely courteous to the Governor of this State. I would not have written such a letter if I had had the opportunity, but I am not discharging the duties of that gentleman and I am not here to say he did not do what he ought to have done.

He has written to the Senators in the Senate of the United States and asked them for their opinions upon this great subject and what we ought to do, and whether they are in favor of it. Now, we have word back from them and they advise the members of this Legislature to equalize the taxation upon all properties and give the people a fair chance, relieve them from the burdens as far as possible.

Every Representative in Congress without any regard to his political character or standing has been asked to give his opinion upon this great subject, and what do they say, and advise their constituencies? They advise the people of this great State everywhere regardless of politics not

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to slap a tax upon railroads particularly, but to tax all corporations that are escaping taxation. Are you grand enough to grasp the idea, or are we to be confined to this simple measure? Shall we relieve the people of the State as they ask us to, or shall we go on blindly and follow the lead, and do what we are commanded to do?

Let the Governor of this great State know that we are anxious to do right by all the people. Ask him to send this question back to us for our consideration. If he does not want to do it, if there is any reason why it should not be done, let him say so to us, and if that is true let him give us such light on the subject as he can. He may be able to tell us something we didn't know about it, but let us ask him in the name of justice for all the light we can have upon this subject. If he says 'you ought not to include street railroads,' let him tell us why we ought not to include them; let us understand it. It has been charged here that the railroads of this State are furnishing a corruption fund by which the members of the Legislature are elected in order that they may become valuable to them; if the street railroad companies are dictating nominations in the State or any other conventions, let us find that out. Let us go to the bottom of it while here. I want to know what is the reason we should not take these great waterways—and I do not expect any man to vote against his interest here—why shall we not take these great waterways that come in competition with the carriers of this State, and are compelling them to carry the freight at a reduced rate, why not ask them to give us an account of their doings? Let this commission go for them, and let us find out how much taxes they are paying, and let us ask them to bear their share of the burden before they come in here and say, "You should tax simply this and nothing else."

I have occupied more of the time of the House than I ought to, I know my friends on the other side are weary of hearing me talk, and possibly my friends who are with me think I ought to stop, but there is a question in this deeper and broader than the simple question whether we shall tax anybody, there is a grander question than that, and in my humble judgment we have reached a position in the history of this State that was never occupied before, and I hope never will be again; we are informed, sir, if we do not vote for this measure that has been presented to us, that somebody will see to it that we are not returned to this House again.

The Speaker:

That is not in order. There has been no official notification to the House of that character.

Mr. Sawyer:

I don't know that there has, and I shall very cheerfully withdraw what I have said upon the subject, and I am going to ask this House to lay aside any feeling of that character. If there is any gentleman who feels he dare not vote according to the dictates of his own conscience, then I simply say, there ought to be a vacancy in the district that he represents, and notice should be issued at once to fill that vacancy.

Let us feel the responsibility that rests upon us personally; let us exercise our own judgments upon these questions, and let us do what our consciences shall dictate, and we will erect a monument to our memory that our children's children will be proud of.

We want every man to act on his own judgment and stand by it according to the dictates of his own conscience. I ask you to go with me

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and invoke the Governor to send us a message that shall govern these great questions, and do justice and fairness by all the corporations of the State of Michigan.

The Speaker:

The question is on the adoption of the resolution by the gentleman from Washtenaw. Are you ready for the question?

Mr. Atkinson:

I suppose this resolution is offered in good faith by the distinguished member from Washtenaw. I hope it is not offered as a filibustering measure, because I am quite willing to concede that those who oppose even taxation in this House have power if they desire to take up the entire time of the session with dilitory motions, and prevent any legislation at this session. But I hope no such motive as that inspires my friend from Washtenaw. He is too old in the service, and is venerable and has too much character at stake to play such a game as that. I confess that I am somewhat suspicious of resolutions that come from those who partook in the conference with the collector of customs the other night at Buzzard's Roost down here upon Grand river. It seems remarkable that these men are very active upon Grand river and the collector of customs in this district is carefully seeing to it, but still I assume that all these resolutions are offered in good faith. I regret the unseemingly thing that we have witnessed here of a member of this House, laying upon the table and having read to this House such a peculiar criticism upon the Chief Executive, but I have no doubt that he has done it in the best of faith with the warm friendship which he has always shown for the Governor of this State. If I should read you the personal addresses from the member from Washtenaw to Hazen S. Pingree, the Governor of this State, complimenting him upon his speeches, complimenting his ideas and flattering him as though he were a demagod, none of you could for a moment believe that Mr. Sawyer meant anything but kindliness in his language for the Governor of this State.

Now I desire to ask this House to adopt this resolution because the member from Washtenaw offered it. In fact, I cannot see any reason why, but I distrust my own judgment when it comes into contact with the member from Washtenaw. I move the previous question.

The Speaker:

The Gentleman from Wayne, Mr. Atkinson, moves the previous question.

Mr. Donovan:

Mr. Speaker, I wish the gentleman would withhold that motion for a moment.

The Speaker:

Does the gentleman withhold his motion for the previous question?

Mr. Atkinson:

Yes, sir.

Mr. Donovan:

Mr. Speaker, I have voted on this floor for two or three resolutions similar in character to this. I voted for them because I believed they were right; but in this resolution there has been introduced what was not introduced in the others. It is an element that we think is not right, and that should not be introduced here. It is an element which makes

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it a party resolution. It has been the policy of the Democratic party as long as it has been the policy of the Republican party, to work and vote for the equalization of taxes. The Republican party has had an opportunity year after year for a great many years to pass measures of this kind if it saw fit to do so, and it has failed. Now we come here the minority in this House, prepared as one man to vote for equal taxation. We are ready to do it today, but we do not want to be compelled to do it under a resolution like this one. We would like that portion of the resolution withdrawn, then we can support it. It is not right to insert that. I believe that the majority of this House ought to pass some resolution of this kind. They have had the opportunity year after year in the past to do it. It seems to me now that it is not necessary and not proper when the minority is so small in the House to insert that and make it a partisan question. If the House were more equally divided the case would be different, but we see no reason for it, and do not wish to stultify ourselves by voting for it as it is now. I am sorry that anything of this kind has been introduced in the resolution, because I dislike political questions on this floor, especially under the present conditions. We want to vote for that resolution because we believe it is right, under the circumstances to do so if we can.

The Speaker:

The objection, I understand, is to that portion of the resolution which refers to the action of the Republican party.

Mr. Sawyer:

Mr. Speaker, if that is the only objection I will be only too glad to accommodate the gentleman.

Mr. Donovan:

With that portion stricken out we can support the resolution.

Mr. Sawyer:

I am willing that that portion referring to the Republican party be stricken out of the resolution.

The Clerk indicated by reading the following places which might be objected to by the gentleman from Bay: The word "Republican" before the words "Representatives in Congress" in the 11th whereas; the whole of the 13th whereas as follows: "Whereas the Republican party has favored the revision of the laws respecting taxation of corporations"; and in the last paragraph of the preamble the words "in accordance with the doctrines of the Republican party as announced in the manner aforesaid."

The Speaker:

The resolutions will be amended as suggested by the gentleman from Bay and acceded to by the gentleman from Washtenaw.

The question then being on the adoption of the resolutions,

Mr. Atkinson demanded the previous question.

The demand was seconded.

The question being shall the main question be now put,

The same was ordered.

The question being on the adoption of the resolutions,

The resolutions were then adopted.

By unanimous consent,

Mr. Peters offered the following:

Concurrent resolution appointing a commission to confer with the Michigan Central Railroad Company, and to ascertain and report the

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terms upon which said company will surrender its special charter and reincorporate under the General Railroad Law.

Resolved by the House, the Senate concurring, That the Governor, State Treasurer and Attorney General, are hereby created, constituted and appointed a commission to confer with the Michigan Central Railroad Company, and to ascertain and report the terms upon which said company is willing to surrender its special charter and reincorporate under the General Railroad Law of this State, and that said commissioners shall report to the next regular Legislature in the year one thousand eight hundred and ninety-nine, on the first day of said session or as soon thereafter as possible such matters of information and recommendation with regard to the question of such surrender and reincorporation as they may deem of importance to the interests of the State and worthy of consideration by the next Legislature.

Pending the order that the resolution lie over one day under the rules,

On motion of Mr. Peters,

The rules were suspended, two-thirds of all the members present voting therefor, and the resolution was put upon its immediate consideration.

On motion of Mr. Peters,

The resolution was referred to the Committee on Judiciary.

Mr. Chamberlain offered the following:

Whereas, The Hon. George G. Covell was an able member of this House, during the sessions of '93 and '95 and of the State Senate of '97; and,

Whereas, Mr. Covell has been appointed U. S. District Attorney for the Western District of this State; therefore,

Resolved, That the warm congratulations of this House are hereby tendered to Mr. Covell upon his good fortune; and,

Resolved, That the Clerk of this House is hereby requested to send an engrossed copy of these resolutions to Mr. Covell;

Which was adopted.

REPORTS OF SELECT COMMITTEES.

By the select committee on Memorials:

The committee to whom was submitted the sad duty of drafting appropriate resolutions upon the death of or fellow member, the honored William A. Rowley, Representative from the First District of Macomb County, respectfully submit the following resolutions:

Whereas, The members of the House have received the sad and unwelcome intelligence of the death of our associate, the Honorable William A. Rowley, who departed this life on the 19th day of July, 1897; and

Whereas, Your committee deem it fitting that a short biographical sketch of the life of Honorable William A. Rowley be submitted as follows: Mr. Rowley was born in Shelby township, Macomb county, November 8th, 1843. He enlisted in Company "B," Fifth Michigan Infantry, in July, 1861, and re-enlisted in 1864, serving to the end of the war. He was taken prisoner at the battle of Chancellorville, and remained in Libby Prison until exchanged. He was elected treasurer of the township of Shelby, afterwards moving to the township of Clinton, Macomb county, and was elected six times supervisor of said township on the Republican ticket against an overwhelming Democratic majority

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for other township officers. As a farmer he was energetic, progressive and modern, taking special pride in raising the best stock. He organized at one time the first creamery company in Clinton township, and was director of local insurance companies, etc. Mr. Rowley was looked upon by his neighbors and fellow citizens as a man of sound judgment, honest and strictly reliable in every respect. Therefore,

Resolved, That in the death of the Honorable William A. Rowley, the House, the Legislature and the State have lost an able, conscientious and faithful public servant. He belonged to the best type of American citizenship. He proved his loyalty and patriotism on the field of battle. As a public servant he was wise, true and faithful and he won the greatest respect from those who knew him best. He was one of nature's noblemen, an honest man, the noblest work of God;

Resolved further, That an engrossed copy of these resolutions duly signed by the Speaker and certified by the Clerk of the House be forwarded to the widow and family of the deceased.

C. A. Miller,
Geo. B. Davis,
B. Colvin,
Committee.

Report accepted and committee discharged.

The question being on the adoption of the resolutions reported by the committee,

The same were adopted by an unanimous rising vote.

By the special committee on Memorials:

The committee to whom was committed the sad duty of drafting appropriate resolutions upon the death of the honored Henry Lee, Representative from the county of Lapeer, respectflly submit the following resolutions:

Whereas, The members of the House have received the sad and unwelcome intelligence of the death of our associate, Honorable Henry Lee, who recently departed this life at his home in Lapeer; therefore,

Resolved, That in the death of the Honorable Henry Lee the House, the Legislature and the State have lost an able, conscientious and faithful public servant; one who has earned the respect of the public as well as his immediate constituents by long and faithful service in local affairs and as a member of this House, in the course of which he exemplified candor, honesty, good judgment and a fearless discharge of every duty. His career bore the fruit of his conviction, that a public office is a public trust. That he has been called hence in the full vigor of his manhood, with the full measure of his usefulness unfulfilled, is not only a matter of regret to us, but of loss to the State;

Resolved, That we tender to his bereaved family our warm and tender sympathy.

Resolved, That an engrossed copy of these resolutions duly signed by the Speaker and certified by the Clerk of the House, be forwarded to the widow and family of the deceased.

C. A. Miller,
Geo. B. Davis,
B. Colvin,
Committee.

Report accepted and committee discharged.

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The question being on the adoption of the resolutions reported by the committee,

The same were adopted by an unanimous rising vote.

The committee to whom was referred the sad duty of drafting appropriate resolutions upon the death of our late Sergeant-at-Arms, Richard H. Gibson, respectfully submit the following resolutions:

Whereas, The House has received notice of the sad and unwelcome intelligence of the death of our late respected Sergeant-at-Arms, who departed this life at his home in the city of Greenville on the 10th day of October, 1897; therefore,

Resolved, That in the death of Richard H. Gibson that the House and the State have lost the services of an honest, faithful and efficient public servant. He was an ideal officer—kind and courteous, yet firm and impartial. We honored him for his record as a soldier and respected him for the empty sleeve he bore, but we loved him for his truly noble, manly qualities, and we tender to his bereaved wife and family our tenderest sympathies.

Resolved, That an engrossed copy of these resolutions, duly signed by the Speaker and certified by the Clerk of the House, be forwarded to the widow and family of the deceased.

C. A. Miller,
Geo. B. Davis,
B. Colvin,
Committee.

Report accepted and committee discharged.

The question being on the adoption of the resolutions reported by the committee,

The same were adopted by an unanimous rising vote.

REPORTS OF STANDING COMMITTEES.

By the committee on Revision of Our Present Statutes:

The committee on Revision of Our Present Statutes, to whom was referred

House bill No. 1 (file No. 1), entitled

A bill to provide for the assessment and levy of taxes upon the property of railroad companies, express companies, telegraph companies and telephone companies,

Respectfully report that they have had the same under consideration, and have directed me to report the same back to the House, with the accompanying substitute therefor, entitled

A bill to provide for the assessment and levy of taxes upon the property of railroad companies, express companies, telegraph companies and telephone companies and the collection thereof, and the appointment of a State Board of Assessors to make such assessments and levy, and defining the duties of such board, and the compensation of its members, and to repeal section 33 of act No. 42 of the laws of 1846, as amended by act No. 179 of the laws of 1893, and section 31 of act No. 113 of the laws of 1846 and the amendments thereto, and all other acts or parts of acts whether contained in special acts under which any of the companies whose property is to be assessed under this act shall have been incorporated, or under the general railroad law, and the amendments

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thereto, or in the act for the incorporation of union railroad stations and depot grounds, or in any other law of this State, so far as such acts or parts of acts are inconsistent with this act, and no further;

Recommending that the substitute be concurred in, and that the substitute do pass, and ask to be discharged from the further consideration of the subject.

John Atkinson,
Chairman.

Report accepted and committee discharged.

The question being on concurring in the substitute reported for the bill, by the committee,

The House concurred.

The bill was then ordered reprinted, referred to the committee of the whole, and placed on the general order.

By the joint committee on Railroads and General Taxation:

The joint committee on Railroads and General Taxation, to whom was referred

House bill No. 2 (file No. 2), entitled

A bill to provide for the assessment and levy of taxes upon the property of railroad companies, express companies, telegraph companies, and telephone companies,

Respectfully report that they have had the same under consideration, and have directed me to report the same back to the House with amendments thereto, recommending that the amendments be concurred in, and that the bill when so amended do pass, and ask to be discharged from the further consideration of the subject.

C. E. Foote,
Chairman Joint Committee.

Report accepted and committee discharged.

The question being on concurring in the amendment made by the committee to the bill,

The House concurred.

The bill was then ordered reprinted, referred to the committee of the whole and placed on the general order.

By the committee on Railroads:

The committee on Railroads, to whom was referred

House bill No. 4, entitled

A bill to repeal act No. 42 of the Legislature of Michigan, passed at the annual session of 1846, entitled "An act to authorize the sale of the Central railroad and to incorporate the Michigan Central Railroad Company," approved March 28, 1846, and to designate a board to adjust any claim for damages on account of said repeal, and to authorize the incorporation of said railroad company under the general railroad laws of this State, for the purpose of subjecting said railroad company to the general railroad taxation laws of this State and all other general laws,

Respectfully report that they have had the same under consideration, and have directed me to report the same back to the House without amendment, and recommend that it do pass, and ask to be discharged from the further consideration of the subject.

C. E. Foote,
Chairman.

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Report accepted and committee discharged.

On motion of Mr. Foote,

The bill was ordered printed in the Journal, referred to the committee of the whole, and placed on the general order.

The following is the bill:

House bill No. 4, entitled

A bill to repeal act number forty-two of the Legislature of Michigan, passed at the annual session of eighteen hundred and forty-six, entitled "An act to authorize the sale of the Central railroad and to incorporate the Michigan Central Railroad Company," approved March twenty-eight, eighteen hundred and forty-six, and to designate a board to adjust any claim for damages on account of said repeal, and to authorize the incorporation of said railroad company under the general railroad laws of this State, for the purpose of subjecting said railroad company to the general railroad tax laws of the State and all other general laws.

Section 1. The People of the State of Michigan enact, That act number forty-two of the legislature of Michigan, passed at the annual session of eighteen hundred and forty-six, entitled "An act to authorize the sale of the Central railroad and to incorporate the Michigan Central Railroad Company," approved March twenty-eight, eighteen hundred and forty-six, be and the same is hereby repealed. And said Michigan Central Railroad Company and all its property and franchises shall hereafter be subject to all the provisions, conditions and requirements of the general railroad laws of this State.

Sec. 2. The said Michigan Central Railroad Company may at any time incorporate under the general railroad laws of this State in the same manner, and under all the conditions, requirements and obligations as are provided in the said general railroad laws for the case of any railroad company voluntarily surrendering a special charter by which it has been heretofore incorporated by the Legislature of this State.

Sec. 3. Any claim for damages against this State on account of the provisions of section one aforesaid shall be presented by the first day of March, eighteen hundred and ninety-eight, to the Board of Auditors of this State, Secretary of State, State Treasurer and Commissioner of the State Land Office; and if not so presented by the time aforesaid, all claims for damages against this State shall be forever barred. And it shall be the duty of said board upon the presentation of such claim, within the time limited and specified as aforesaid, to at once notify the Governor of said presentation, and to proceed at once to equitably and justly consider the facts, if any, against, as well as the facts, if any, in support of said claim. And it shall be the duty of said board to arrive at an agreement as to an amount of damages, if any, due said railroad company as aforesaid, by the first day of September, eighteen hundred and ninety-eight; and it shall be the duty of said board immediately upon arriving at such agreement to publish over their own signatures, in some newspaper of general circulation in Ingham county, Michigan, the essential facts, and amount of damages, if any, which they shall have agreed upon as aforesaid. And said amount of damages, if any, so agreed upon by said board, shall be paid to said railroad company between the first day of July, eighteen hundred and ninety-nine, and the first day of July, nineteen hundred and three, in such amounts and at such times as there are moneys in the State Treasury not otherwise appropriated, and in the manner as other claims allowed

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said board are paid; and interest from July first, eighteen hundred and ninety-nine to date of payment at four per cent per annum, shall be allowed to said railroad company by said board, and paid as aforesaid, on all such amounts as aforesaid as are paid after said July first, eighteen hundred and ninety-nine.

Mr. Chamberlain:

I would ask, as a matter of information, whether this bill is covered by the message of the Governor?

The Speaker:

The Chair cannot determine that question by hearing the title. If it repeals the Michigan Central charter entirely the chair will hold it is out of order.

Mr. Chamberlain:

If the report is adopted I desire to have until this afternoon in which to present the minority report. I move the bill be laid upon the table.

Mr. Foote:

I demand the ayes and nays.

The Speaker:

The gentleman from Kalamazoo demands the ayes and nays. The question is on the motion that the bill be laid upon the table, and as the names are called as many as are in favor of the motion will answer aye, opposed, no.

Mr. Phillips:

I would like the title of the bill read again.

The title of the bill was again read.

Mr. Lusk:

I rise to a point of order. I understood the Chair to rule this bill was not in order.

The Speaker:

I said if the bill contemplated the repeal of the entire Michigan Central charter that the Chair would rule it as not in order. The Chair has no way to determine that from the information at present.

Mr. Lusk:

Can the gentleman say whether that is the intent of the bill?

The Speaker:

Unless the gentleman, Mr. Chamberlain, withdraw his motion to table the Chair will not hear debate.

Mr. Chamberlain:

I will withdraw the motion.

Mr. Lusk:

It strikes me if the Chair rules the bill is not worthy of consideration or not proper for consideration, our action is out of order.

The Speaker:

The Chair has said he could not tell from the title whether it was or not. If it attempts to repeal the entire charter of the Michigan Central railroad the Chair will rule it out of order. I will act upon the question at this time if I can get that information.

Mr. Chamberlain:

I desire to ask the author of the bill, if it is intended by the bill to entirely repeal the Michigan Central charter.

Mr. Foote:

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It is intended to repeal that portion of the charter, that relates to taxation, only.

The Speaker:

With this information the Chair will have to rule that the bill is in order. Does the gentleman from Gogebic renew his motion?

Mr. Chamberlain:

No, sir, with the understanding that I can present the minority report at the afternoon session.

Mr. Lusk:

I desire to say that there are several members upon the floor of this House who are very anxious to return to their homes to attend to private matters, and are especially anxious that this bill that has been reported out by the committee should be brought to the House for consideration. I understand that it is not necessary that the House should be delayed one day in order that the bill may be printed, that the changes are so slight that proper notice could be given to the members of those changes by having type-written copies made of the changes laid on our desks.

I ask the House to take up the consideration of this bill as early this afternoon as convenient.

The Speaker:

What is the proposition?

Mr. Lusk:

That this House resolve itself into a committee of the whole at 2:15 this afternoon for the consideration of the general order, it not being considered necessary to have the bill printed entire and thus delay the action of the House one day. I will make such a motion, that the House at 2:15 p. m. resolve itself in the committee of the whole for the consideration of the bill.

The Speaker:

Does the genetleman make a motion for a special order?

Mr. Lusk:

I make it a special order that all bills now reported upon general order be made special order for 2:15 this afternoon.

The Speaker:

The gentleman moves that all bills be made special order for 2:15 this afternoon.

Mr. Chamberlain:

I desire to amend the motion so it shall read all bills which are to be reported this afternoon at the opening of the session as well as those that are all in.

Mr. Lusk:

I accept that amendment.

Mr. Kelly:

I would like to ask the Clerk of the House a question before I vote upon that proposition, i. e., are these bills printed?

The Clerk:

The bill relating to the repeal of the Michigan Central Charter has not been printed this session, but it is a copy of House Bill 475, File 179 of last session. The only addition to it is the addition to the clause at the end of the bill bringing it under the general tax laws.

Mr. Kelly:

I understand the motion is to include all bills that have been reported.

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The Speaker:

All bills that have been reported.

Mr. Kelly:

I would like to know whether the main bill that we have been talking so much about this morning is printed and is upon our files?

The Speaker:

Number 1.

The Clerk:

It was substitute to a bill that has come in.

Mr. Kelly:

I hope the motion of the gentleman from Bay will not prevail. I don't think we ought to take up the time of this House in considering manuscript bills. The bill has not been passed upon by the Committee, and we will waste time in doing so and I think we ought to wait till a bill is printed and placed upon our file. For that reason I make a motion that the motion by the gentleman from Bay be laid upon the table.

The question being on laying on the table the motion for a special order at 2:15 this p. m.,

The motion prevailed.

MESSAGES FROM THE GOVERNOR.

EXECUTIVE OFFICE,
Lansing, March 30, 1898.

To the Speaker of the House of Representatives,

Sir—I respectfully refer herewith a file case containing hundreds of letters received endorsing the Equal Taxation Bill now before your honorable body.

69,519 names have been signed to petitions, which have been transmitted to one of the committees of the House.

In addition to the above I have received only eleven letters opposing the passage of the blil, which are also submitted herewith.

I would respectfully request that when the House has finished with these letters and petitions that they be returned to the Executive Office.

Very respectfully,
H. S. Pingree,
Governor.

The message was laid on the table.

MESSAGES FROM THE SENATE.

The Speaker also announced the following:

SENATE CHAMBER,
Lansing, March 29, 1898.

To the Speaker of the House of Representatives:

Sir—I am instructed by the Senate to return to the House the following concurrent resolution:

Resolved by the House (the Senate concurring), That there shall be printed and bound in the usual form and style 3,000 copies of the Official Journal of this extraordinary session of the Legislature, and

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Resolved, That such number of copies of said Journals as shall remain, after the distribution provided by law shall have been made, shall be disposed of as the Board of State Auditors shall determine.

In the adoption of which the Senate has concurred.

Very respectfully,
Charles S. Pierce,
Secretary of the Senate.

The resolutions were ordered engrossed in accordance with the rule, and presented to the Governor.

The Speaker also announced the following:

SENATE CHAMBER,
Lansing, March 29, 1898.

To the Speaker of the House of Representatives:

Sir—I am instructed by the Senate to retransmit to the House the following concurrent resolution:

Resolved (the House concurring), That when the Legislature adjourns on Thursday, March 31st, it stand adjourned until 9 o'clock p. m. Wednesday, April 6th, 1898.

For which the House adopted the following substitute:

Resolved (the House concurring), That when the Legislature adjourns on Friday, April 1st, it stand adjourned until Tuesday, April 5th, at 7:30 o'clock p. m.

In the adoption of which as thus substituted the Senate has concurred.

Very respectfully,
Chas. S. Pierce,
Secretary of the Senate.

INTRODUCTION OF BILLS.

Mr. Gustin, unanimous consent having been given and leave being granted, introduced

House bill No. 16, entitled

A bill to provide for the assessment and levy of taxes upon the property of railroad companies, express companies, telegraph companies and telephone companies.

The bill was read a first and second time by its title and referred to the committee on General Taxation.

AFTERNOON SESSION.

2 o'clock p. m.

The House met and was called to order by the Speaker.

Roll called: quorum present.

On motion of Mr. Fleischhauer,

Leave of absence was granted to Mr. McGill until Wednesday next.

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PRESENTATION OF PETITIONS.

No. 11. By Mr. Graham: Resolutions adopted by the Republicans of Walker township, Kent county, for the passage of a bill to tax railroad, telephone, telegraph, and express companies upon their true value.

Referred to the committee on Revision and Amendment of the Statutes.

No. 12. By Mr. Atkinson: Petition from 10,269 citizens of the State of Michigan, praying for the passage of House bill No. 1.

Referred to the committee on Revision and Amendment of the Statutes.

REPORTS OF STANDING COMMITTEES.

By the committees occupying Room C:

The chairman of the committees assigned to Room C, have appointed T. F. Johnson, as clerk.

L. E. Belknap.
E. W. Moore.
C. A. Miller.
J. B. Madill.

Report accepted.

Mr. Atkinson:

I move the House now resolve itself in a committee of the whole for the consideration of bills that have been reported out from the committee.

The Speaker:

The clerk informs me that they are all at the printing office. I suppose the action of the House taken this forenoon justified the clerk in taking that action.

Mr. Atkinson:

Is it necessary for their consideration that we have copies of them here? Would that necessarily prevent their consideration? We have copies of them here, and I think the House can act upon them.

The Speaker:

The motion is that the House go into committee of the whole to consider the bills on general order.

Mr. Kelly:

I hope the gentleman from Wayne will not insist upon that motion. If he does I will simply have to vote against it. Now I wish to state for the benfit of the gentleman from Wayne and the members of the House, that I for one do not desire any delay on any bill that has been presented to this House, but the proposition offered this morning was that they were to be sent to the printer. The persons who have presented them desire to be heard upon them. The proposition this morning was that there are certain bills in the hands of the committee that ought to be reported to the House, and we can save a great deal of time if the committees will report all of those bills out, giving the members opportunity to be heard upon them at the proper time and in the proper order. The bill that is presented here, the important bill by the gentleman from Wayne, ought to have the fullest consideration by the members of this

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House, and unless we can have a copy of the bills upon our desks we will not know when an amendment is made what it means; nor can we tell anything about it if we take this matter under consideration now, and I think the gentleman from Wayne himself will regret insisting upon that proposition at this time. Now, if the gentleman will withdraw his motion and the committee that he is chairman of will go on and report out the bills that they have I for one would feel very much pleased, and I will state for the benefit of the gentleman that I will not, when the time comes, for the consideration of his measure make a single motion, or speak any longer upon them than I feel obliged to, and will not delay the consideration of the matters that he desires to receive prompt consideration. I hope at this time, and especially when we are to adjourn here Friday to go home to the election that he will get all of the bills out of the committee and before this House. Let us have the whole matter for consideration when we come back.

The Speaker:

The question is on the motion that the House resolve itself into a committee of the whole.

Mr. Atkinson:

I should be very glad now, if possible, to accommodate every one in this House, and if we had unlimited time before us it would be a very good plan to wait until everything was printed, but there are a great number of bills now pending before the committees that have not been reported out, and if we should wait until they were all reported out and printed the time allowed for this session would naturally slip by without having any consideration of the merits of these bills. It seems to me that the general principles of the bill, or the two bills, that are now upon general order—bill noticed as Bill No. 1 and the Smith Bill No. 2, can be just as well considered by the House at this time as any other. We have to take it up by sections, and I feel the very fullest debate ought to be had upon it, and every member of the House that wishes should express his views upon it, and it seems to me that we ought to get to the real work of this session. There is already a great deal of complaint that the time of the session is being frittered away, and I trust the members of the House will take this matter up so that we may consider it on its merits and get to work upon it as soon as possible. I presume that the debate upon these bills will last for several days. I, myself, would be unwilling to attempt to force a vote upon these bills until every man in the House who desires to speak can be heard. I do think that we ought to get at it as quickly as possible and go on with it. Now, if that could be made special order for tomorrow, so that nothing else would interfere with it for tomorrow morning, I should be willing to consent to that, but otherwise I would have to insist upon my motion to have the matter take up at once.

Mr. Chamberlain:

It seems to me the question presents itself now. What are we here for? We have been in session over a week and the only thing that has been accomplished up to this moment is the passing of a few resolutions and the introduction of bills. I understand the motion of the gentleman from Wayne did not contemplate that the action of the committee of the whole should be confined to any particular measure; and the House will notice there are upon the files, one of my own, the last

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bill upon the file, containing only two sections, and which may perhaps be the bill that will subsequently be adopted by this House, and may be considered this afternoon. The amendments made by the gentleman from Wayne to his bill this morning can be easily read or stated by him to the committee of the whole.

The Speaker:

I ask the gentleman, Has that bill been reported by the committee yet?

Mr. Chamberlain:

I don't think it has.

The Speaker:

I think not.

Mr. Chamberlain:

I think the bill introduced by the gentleman from Houghton has been reported, and the gentlemen are familiar with his amendments; they are printed and lay upon the desk of every member of the House. I have one on my desk, the amendments that have been made to the bill by the gentleman himself, the author of the bill. I don't understand, Mr. Speaker, why it is not possible and feasible and desirable to take up this matter at once. This House is just as well prepared to do it this afternoon as we will be two weeks from this afternoon, and it seems to me under all the circumstances the motion of the gentleman from Wayne out to prevail.

Mr. Smith:

Bill No. 2 has been sent to the printing office. I don't think there is a copy of it in the House. The committee who had it under consideration made several amendments since it was printed and laid upon our desks, and I think there is no bill in the House corresponding with the one that is in the printing office, and with the consent,—as I understand it,—of the gentleman from Wayne, I move that those two bills, or any other bills that are on the general order be made special order for half past ten o'clock tomorrow morning.

The Speaker:

Will the gentleman from Wayne withdraw his motion?

Mr. Atkinson:

I will accept that if the members desire it. If they think they cannot adopt it, then I would like to ask your opinion, Mr. Speaker, whether, if we make a special order for half past ten tomorrow morning it will go on then until we dispose of all those bills?

The Speaker:

So far as the Chair is concerned. The Chair will be anxious and willing to have that done. The Chair cannot speak for the House; the majority of the House can order otherwise.

Mr. Atkinson:

Unless the House should order otherwise that will be the order?

The Speaker:

Unless the House should order otherwise.

Mr. Atkinson:

With that understanding I am willing to accept Mr. Smith's amendment.

The Speaker:

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The Chair cannot put it as an amendment. The gentleman from Houghton, Mr. Smith, moves that all the bills reported by committees up to this time be made special order for tomorrow morning at 10:30.

Mr. C. C. Phillips:

I hope that this motion will not prevail. We have nothing whatever to do from now until ten o'clock tomorrow morning. If any gentleman in the House thinks as I do that there are matters that can come before the committee of the whole which we can't dispose of, but we can obtain some light upon some of these bills, I see no reason why we should not go into a committee of the whole at this time. If we find when we get into committee of the whole there is nothing that can be brought before us intelligently we can adjourn and go home for the day and no harm will be done. I don't see why any gentleman on the floor of the House should object to going into a committee of the whole, at this time, since we have nothing else to do. As the gentleman from Gogebic has said we have been here a week and over and we have succeeded this morning in getting two bills out from the committees, and it is time we actd upon them. Every one of these 69,000 petitioners have asserted that there is no delay necessary in this matter, and I agree with them so far as the consideration of this matter is concerned; and all these bills we ought to consider; we ought to go into a committee of the whole this afternoon, now, and see whether there is not something we can do towards expediting the work of this extra session.

Mr. Colvin:

We ought to work. We can stay here and do something by going into committee of the whole. By tomorrow if this thing goes over some member will be half tipped and we will slip by two or three days doing nothing. We are called here to do something and stop robbing the taxpayers. This House is robbing the taxpayers of the State of Michigan faster than all the corporations in the State of Michigan. Now let us do something and get out. I am sick of hearing one man get upon one side and one upon the other and make excuses all the time for adjournment. Let us get down to arguing it now. There has got to be so much gas burned and we might as well burn it this afternoon as any time. Let's do our business and get out of here, I am sick and tired. What we have to do, let's do it, and not let it go over until tomorrow and be all the while adjourning, so we can go home. The result is we don't do nothing but fritter away the whole session at a large expense to the tax payers and do nothing. I say let's pass the resolution or do something to get out of this muddle.

Mr. Kelly:

I think we are all agreed that we should get at the consideration of these matters as quickly as possible, but I think there is a difference of opinion here, perhaps, as to just how and when we should do it. I for one, desire to get at it just as quickly as we can. But how foolish it would be to dispatch a messenger down to the printing office to bring those bills back here this afternoon and try to consider them and have members on this floor asking certain questions with reference to the bills and nobody able to answer; then tomorrow to send the bills back and have them printed and consider the matter next week. Now, a motion is made by the gentleman from Houghton, and it strikes me that is the proper motion for the House to adopt and pass, for the reason

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that tomorrow these bills will all be printed that have been reported by the committees and will be upon file and upon the desk of every member of the House. If we come to a consideration of these matters this afternoon, we have got to send to the printing office and bring these bills back, and two-thirds or three-fourths of them will know nothing at all about what they are considering. All we can possibly do is to wait the rest of the afternoon here and delay consideration of those matters that ought to be considered at the earliest possible moment. Now, my position is this: Let us go at it right, and when we have the bills on our desks here, so that when a member proposes an amendment to such a line or word we will know what it means and know what it is for. That is the only way, it strikes me, that we can properly consider these measures. If there is more work to be done, if the committees have bills before them they ought to be reported out. The Chairman of the committee on Revision has a bill of mine that I think has nothing to do with the consideration of this measure, and there are other matters that I would like considered by the House; and he has promised me that when he can get the committee together he will report the bill out. I say, for one, let those committees go into session and consider those bills and report them out; then we can consider them all under their proper order when printed. That bill, undoubtedly, will be the first bill considered by the House, because it was the first bill on the general order, as I understand it. I, for one, am willing that that bill shall be honestly and fairly considered and passed upon by this House before we take up my bill or any other bill that is to follow it. That is the position I wish to announce here now, and I hope the motion that was made by the gentleman from Houghton will prevail.

Mr. Gustin:

I move as an amendment to Mr. Smith's motion that when the—

The Speaker:

The Chair will not entertain any amendment to that motion, without it is an amendment as to time.

Mr. Gustin:

The amendment is, simply, that we continue the discussion of bills Nos. 1 and 2 before the committee of the whole until concluded.

The Speaker:

That is not the question before the House; the question is whether the hearing of these bills shall be made the special order for to-morrow morning at 10:30.

Mr. Gustin:

I misunderstood the motion.

Mr. F. Shepherd:

I wish the gentleman from Houghton would change the motion, so that we can take into consideration all bills that may at that time have been reported out from the committees.

The Speaker:

Was the scope of the motion as broad as that?

Mr. Smith:

Yes, sir.

Mr. Fuller:

I am very much in favor of this motion made by Mr. Smith, providing we have the bills from the printing office. My experience in this House has

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been that this House cannot give proper consideration to a bill that is in the hands of the Clerk. I have heard members on this floor arise and talk in favor of a bill for a few moments and after they had used up all their oratorical wind upon the subject be informed by the clerk that it was stricken out of the bill. We cannot consider a bill of this character, or a bill of any other character unless we have it before us.

The Speaker:

The Clerk informs me that these bills will be here to-morrow morning; that is, the bills reported. The bills reported to-morrow morning, if any, will be printed.

The Speaker:

The question is on the motion of

The question being on making all bills on the general order, which may be printed by that time, a special order for 10:30 o'clock tomorrow,

The motion then prevailed, two-thirds of the members present voting therefor.

Mr. Chamberlain offered the following:

Resolved, That the State Printer be requested to have printed by 9 o'clock to-morrow morning, all bills reported, if possible;

Which was adopted.

On motion of Mr. Fleischhauer,

The House adjourned.

Lansing, Thursday, March 31, 1898.

The House met pursuant to adjournment and was called to order by the Speaker.

Prayer by Rev. Mr. Loomis.

Roll called: quorum present.

Absent without leave: Messrs. Bates, Lusk, Petrowsky and Stoneman.

On motion of Mr. Cousins,

Leave of absence was granted to all absentees for the day.

REPORTS OF STANDING COMMITTEES.

By the committee on Revision of Our Present Statutes:

The committee on Revision of Our Present Statutes, to whom was referred

House bill No. 10 (file No. 9), entitled

A bill creating a commission to investigate the general subject of taxation in the State of Michigan and other States, to investigate more particularly the present tax laws in this State pertaining to railroad, express, telegraph and telephone companies and report their findings to the Legislature at the next regular session in the month of January, 1899;

Respectfully report that they have had the same under consideration, and have directed me to report the same back to the House, without

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amendment and recommend that it do not pass, and ask to be discharged from the further consideration of the subject.

John Atkinson,
Chairman.

Report accepted and committee discharged.

On motion of Mr. Kelly,

The bill was referred to the committee of the whole and placed on the general order.

By the committee on Revision of Our Present Statutes:

The committee on Revision of Our Present Statutes, to whom was referred

House bill No. 5 (file No. 4), entitled

A bill to amend section 2 of act 140 of the session laws of 1867, the same being chapter 103 of Howell's annotated statutes relative to the licensing and taxing of express companies incorporated in other states;

Respectfully report that they have had the same under consideration, and have directed me to report the same back to the House without recommendation, except that it be placed on the general order, and ask to be discharged from the further consideration of the subject.

John Atkinson,
Chairman.

Report accepted and committee discharged.

The bill was referred to the committee of the whole and placed on the general order.

By the committee on Revision of Our Present Statutes:

The committee on Revision of Our Present Statutes, to whom was referred

House bill No. 12 (file No. 11), entitled

A bill to provide for the taxation of all railroad companies in the State of Michigan;

Respectfully report that they have had the same under consideration, and have directed me to report the same back to the House with amendments but without recommendation, and ask to be discharged from the further consideration of the subject.

John Atkinson,
Chairman.

Report accepted and committee discharged.

The question being on concurring in the amendment made by the committee to the bill,

The House concurred.

On motion of Mr. Chamberlain,

The bill was then referred to the committee of the whole and placed on the general order.

By the committee on Railroads:

The committee on Railroads, to whom was referred

House bill No. 6 (file No. 5), entitled

A bill to amend section three (3) of article three (3) of act one hundred ninety-eight (198), session laws of eighteen hundred and seventy-three, as amended by act forty-five (45), public acts of 1879, as amended by act 174, public acts of 1891, as amended by act 129, public acts of 1893, as amended by act two hundred and twenty-eight (228) of public acts of

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eighteen hundred and ninety-seven, entitled "An act to revise the laws providing for the incorporation of railroad companies, and to regulate the running and management, and to fix the duties and liabilities of all said roads and other corporations, owning or operating any railroad in this State," approved May 1, 1873, being compiler's section three thousand three hundred and sixty (3360) Howell's annotated statutes of Michigan;

Respectfully report that they have had the same under consideration, and have directed me to report the same back to the House, without amendment and recommend that it do pass and ask to be discharged from the further consideration of the subject.

C. E. Foote,
Chairman.

Report accepted and committee discharged.

The bill was referred to the committee of the whole, and placed on the general order.

By the committee on Railroads:

The committee on Railroads, to whom was referred

House bill No. 11 (file No. 10), entitled

A bill to provide for the assessment and levy of taxes upon the property of railroad companies, and to repeal all acts and parts of acts contravening the provisions of this act;

Respectfully report that they have had the same under consideration, and have directed me to report the same back to the House with amendments thereto, recommending that the amendments be concurred in, and that the bill when so amended do pass, and ask to be discharged from the further consideration of the subject.

C. E. Foote,
Chairman.

Report accepted and committee discharged.

The question being on concurring in the amendment made by the committee to the bill,

The House concurred.

The bill was then referred to the committee of the whole and placed on the general order.

MESSAGES FROM THE SENATE.

The Speaker announced the following:

SENATE CHAMBER,
Lansing, March 30, 1898.

To the Speaker of the House of Representatives:

Sir—I am instructed by the Senate to transmit to the House the following concurrent resolution:

Resolved by the Senate (the House concurring), That the Blair Statue Commission, together with the Board of State Auditors, be and they are hereby authorized to make such arrangements as they may deem proper for the public unveiling of the statue of the late Governor Austin Blair;

Which has been adopted by the Senate, and in which the concurrence of the House is respectfully asked.

Very respectfully,
Charles S. Pierce,
Secretary of the Senate.

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The question being on concurring in the adoption of the resolution,

The resolution was adopted.

Mr. Perry offered the following:

Resolved, That it is the sense of this House that no statue or monument should be placed in the main walk leading to the east front of this capitol.

Mr. Perry:

I introduce this resolution because it seems to me it would be almost a block upon our capitol grounds to have any monument or statue erected in the main walk leading to the main front of our capitol building; any procession coming to or from the main front of the capitol would thereby be compelled to break ranks or to break up their formation to a certain extent in order to pass any such monument or statue, and it would be in the nature of an obstruction to our capitol front.

The resolution was then adopted.

Mr. Bryan:

I move you a reconsideration of the vote by which this resolution was declared adopted. I believe it was adopted under a misunderstanding and misconception.

The Speaker:

The gentleman from Wayne moves a reconsideration of the vote by which this resolution was adopted. The question is upon that motion. Are you ready for the question?

Mr. Kelly:

As I understand a resolution has been adopted which states that the sentiment of the House is that this statue shall not be placed on this walk. I, for one, am heartily in favor of the resolution as adopted. I do not believe we ought to obstruct the main walk leading from the front of this capitol by any statue. Every member of the House and the people of the State generally who come to this capitol will be obliged to walk around that in going to and from this building. I think the resolution is a good one, and I hope a reconsideration will not prevail.

Mr. Colvin:

I think it would be a great obstruction. I think it ought to be placed on the side. Our War Governor ought to have a place on the yard, most assuredly, and I will add further, I think our present War Governor, Pingree, ought to have a statue on the other side, then they would be balanced.

Mr. Smith:

I think the motion was adopted under a misapprehension. I think the House really has nothing to do with it, and it is not charged with it at all. There has been a commission of gentlmen appointed, from different parts of the State to look after this business, and with the aid of the artist and sculptor, and they have elaborated a fine arrangement out there near where the form stood. I have not seen their plan, but I understand it is very fine. As to this matter of walking around it, if you will stop to consider it, you will find you can get the to capitol in about five steps less than now. The walk will come immediately up from either side and pass the monument, and then with a circle come into the present walk which would make it shorter than it is now, and this plan contemplates a grass plat in front between the monument and the street, Capitol avenue, and I am certain that looking up Michigan avenue to-

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wards the capitol it will be a great relief to the eye to see that splendid statue before looking at the bare front of the capitol. I think it would be a fine arrangement, and I would like to compliment the gentlemen that had it in charge for the plan which they have agreed upon.

Mr. Jackson:

I think that anybody who would take a trip to Washington and see the monuments placed in front of the capitol will observe that they are no obstruction. I think that if we leave the Blair monument in front of the capitol as proposed that it will be more appropriate and please the people of the State of Michigan than giving Governor Blair some corner.

Mr. Foote:

I think our friends are laboring under a misapprehension. Perhaps I am mistaken, but if my memory services me right the location of this statue wants to be fixed by the statutes and the committee appointed by joint resolution, giving them the power to place it upon the east side of the capitol. I believe that the people who voted for this resolution do not understand just how the arrangements are to be made. Yet, I understand the statue was to be placed in the center of the walk where the temporary arrangement was, where it has stood for the last day or two. On either side of that statue there is to be the same distance from the statue from the edge of the walk outside into the grass plat from below making a little circle above, so that it will form a half circle, the same as many statues in Washington that are placed in the street.

Now, Mr. Speaker and gentlemen of the House, while I was not a resident of Michigan during the war, yet, when we were at the front we knew that Michigan had a war Governor, Governor Blair, who was our friend and who was literally a war Governor, and I believe it is not too prominent a place in any of the grounds of this capitol to place that statue.

In coming up Michigan avenue, passing Michigan avenue, looking toward the capitol, what do we see when that statue is properly arranged? We see this elegant statue of the war Governor placed directly in front of the capitol, not obstructing the view of the capitol in the least, but simply the foreground of the capitol by the front of the statue. The question is asked, "What statue is that?" "That is a statue of the great war Governor of Michigan, who firmly advocated the enlistment of our soldiers, who so firmly advocated the payment of the bounty, the furnishing of soldiers who enlisted from Michigan, and every possible thing that could be done for their benefit."

I do not believe that when this statue is erected where it is contemplated to be, that it will in the least interfere with the perspective view of the capitol, and that it will be the idea of the people, and will be conceded by all who see it after it is erected, that it has been placed in the proper place.

The Speaker:

Are you ready for the question?

Mr. Gustin:

It seems to me from the remarks upon the floor of the House here today that the purpose of this resolution in reference to this monument has been misunderstood. There is an act giving the commissioners power to place this statue upon the east side of the capitol grounds,

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and if I understand the resolution introduced here this morning it is simply a request by this House to place it somewhere else than upon the front walk.

The Speaker:

It is barely an expression of an opinion.

Mr. Gustin:

It is barely an expression of an opinion. We have nothing to do with it, but we may express our opinion here today, and if the commissioners see fit not to act upon it, the monument may be placed upon the front walk, but it seems to me this monument of Governor Blair deserves a better place than to be placed in the middle of the front walk. I think for myself that it deserves the most prominent place upon the grounds, and I don't think that is in the middle of the front walk. I think if it was placed upon the beautiful grass plat upon the right hand side of the front walk it would be a very fitting place for this monument, being a memorial monument for this great man, more fitting than in the middle of the front walk.

Mr. Chamberlain:

As I understand, those gentlemen who compose that commission have perfected all their plans and any action taken now upon the part of this House will probably not change their plans. They have planned to divide the walk below where the monument stands and their plans will probably be carried out, and the only question now is, if the plan which is contained in the concurrent resolution coming from the Senate this morning, and has been adopted by them, shall be adopted by this House. It seems to me that this House ought not to embarrass these commissioners by passing the resolution.

The motion to reconsider the vote by which the resolution was adopted then prevailed.

The Speaker:

The question is on the adoption of the resolution.

Mr. Perry:

I move that the resolution be referred to the committee on State Capitol and Public Buildings;

Which motion prevailed.

Mr. F. M. Shepard offered the following:

Whereas, It appears from this morning's paper that our distinguished fellow Representative, Henry M. Zimmerman, has taken upon himself the holy bonds of matrimony,

Resolved, That the hearty congratulations of this body be and are hereby tendered to our fellow member;

Which was unanimously adopted.

Mr. Gillam moved that the House resolve itself into a committee of the whole upon special order;

Which motion prevailed.

The Speaker:

The Chair will announce that the Chair understands it to be the sense of the House, that while the House is in committee of the whole all the debates will be taken by the stenographers, and appear as though they were given in the House, and unless there is some objection raised that will be considered the understanding of the Chair and sense of the House.

The gentleman from Allegan, Mr. Otis, will preside.

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SPECIAL ORDER.

The committee was called to order by the chairman, Mr. Otis.

The Clerk:

The first bill is a substitute for House Bill No. 1, now File No. 16, which has come up this morning.

The Clerk then read the title and section one, as follows:

A bill to provide for the assessment and levy of taxes upon the property of railroad companies, express companies, telegraph companies and telephone companies and the collection thereof, and the appointment of a State Board of Assessors to make such assessments and levy, and defining the duties of such board, and the compensation of its members, and to repeal section 33 of act number 42 of the laws of 1846 as amended by act number 179 of the laws of 1893, and section 31 of act number 113 of the laws of 1846 and the amendments thereto, and all other acts or parts of acts whether contained in special acts under which any of the companies whose property is to be assessed under this act shall have been incorporated or under the general railroad law and the amendments thereto, or in the act for the incorporation of union railroad stations and depot grounds, or in any other law of this State so far as such acts or parts of acts are inconsistent with this act and no further.

Section 1. The People of the State of Michigan enact, That it shall be the duty of the Governor by and with the advice and consent of the Senate within five days after this act shall take effect and be in force, to appoint four resident electors of this State, and successors thereafter as their terms of office shall expire, who, with the Auditor General of the State shall constitute the State Board of Assessors, of which the Auditor General shall be the president. Two of the persons so appointed shall hold their office for the term of two years and the other two for the term of four years from and after the date of their appointments respectively, or until their successors shall be appointed and qualified, and all subsequent appointments shall be for the term of four years. A majority of said board shall constitute a quorum for the transaction of the duties prescribed for said board under this act. The Governor may make appointments under this act when the Senate is not in session, but in such cases the appointments so made shall be submitted to the Senate at its next session, and if not confirmed the persons so appointed shall cease to be members of said board after the adjournment of the Senate sine die.

Mr. Whetherbee:

I move to amend the bill by inserting in line nine, section one, after the word "after," the words "the first day of January succeeding."

The Chairman:

Gentlemen you hear the amendment offered as read by the Clerk.

Mr. Wetherbee:

The purpose of this amendment is to fix a definite time at which the terms of office shall commence.

The Chairman:

Those in favor of the amendment as read will signify it by saying aye.

The motion prevailed.

Mr. Graham:

I offer a substitute for section one.

The Clerk reads the substitute.

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The Chairman:

The Chair will not entertain this unless there are no other amendments to the section.

Mr. Clute offered a substitute for the substitute.

The Chairman:

A substitute for a substitute is out of order. If the first substitute is lost then this will be in order. If there are no further amendments to the section, the substitute as offered by the gentleman from Kent will be entertained.

Mr. Graham:

I ask to have substitute read.

The substitute was read by the Clerk.

"That there shall be elected at the general election to be held in the year 1898 two resident free holders of this State who with Auditor General shall constitute the State Board of Assessors. The person so to be elected shall serve one for the term of two years and the other for the term of four years from and after the first day of January, 1899, at which time they shall enter upon the duties of their office. At each subsequent election one member of said board shall be elected for the term of four years. Until said first day of January, 1899, the duties under this act prescribed for said board shall be performed by a board consisting of the Lieutenant Governor, Auditor General, Secretary of State and State Treasurer and the Commissioner of the State Land Office, The members of said board shall serve until the election and qualification of their successors and the Auditor General shall be ex officio the chairman of said board. Vacancies therein shall be filled by appointment by the Governor, made by and with the advice of the Senate."

Mr. J. H. Dickinson:

I rise for information. I would like to ask if it is possible for the legislature to create, in the State of Michigan, any elective office. I find that the constitution prescribes the offices of the State to be elected. In other words, I would like to ask if the Legislature of Michigan can enlarge upon the constitution of the State, Art. 8, Sec. 1.

The Chairman:

I should say the Supreme Court of the State would have to settle that matter.

Mr. J. H. Dickinson:

I think it is wise at this time to try and frame a law so that the Supreme Court will not knock it out. If we are going to go along and frame any kind of a law regardless as to whether the Supreme Court will sit down on it or not, then we can proceed on any old line.

Mr. Graham:

I have heard no objection from any source on this account—as to the constitutionality of this plan. Personally I have not looked it up, but I do not believe there is any question regarding it.

Mr. Atkinson:

So far as the legal question is concerned I desire to say to the House that in my opinion it would render the appointment of the commissioners very doubtful. At the same time I do not pretend to know what the Supreme Court would decide upon the question. It is an experiment; it is one greater risk to the bill if we adopt this plan. The original bill is drawn to give the appointment of the commissioners to the Governor

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to be confirmed by the Senate. That line of action has been taken because that has been the universal practice in the State. We have no State administrative board of any kind now that is elected. They have all been appointed by the Governor of the State, by and with the advice and consent of the Senate. I know of no reason why there should be any exception in this case. The committee that reported this bill out (of which the member from Kent is one of the leading members) voted unanimously to report it out as it is, and it is a little surprising to me that a member of the committee after having voted for it in the committee should come to the floor with a proposition entirely changing it. Now, is there any reason why the Governor of the State at the present time should not exercise the same powers that have been exercised by all of his predecessors? Is there any reason why his successors should be deprived of the powers that have been given to all their predecessors? I know of no reason why the distinction should be made. Why this board should not be appointed in the ordinary way. If this House desires to pass a vote of want of confidence in the present Governor it is an excellent way to do it. But I fancy the House does not wish to divide up the forces of the party in the majority in that way and create a source of dissension between us.

We have a Governor and we have a Legislature. It is the duty of the Governor to see that the laws are faithfully executed, and it has been the duty ordinarily of Governors to make these appointments. Now, is there anything about the present Governor that should make us change our course? I know of nothing except the tremedous majority by which he was elected; if his strong hold upon the people of this State is to be taken against him then the substitute should be passed. But it seems to me that it would be better to place ourselves in accord with the people of this State; that we had better place ourselves in line with the people rather than separate ourselves from them.

Now so far as the State officers, the members of this board, as provided by the substitute are concerned, I want to say this to the House: If this bill is to be passed and put into execution it ought to be executed by those who are friendly to it. You do not pass a law ordinarily and then turn it over to somebody who may desire that it shall not work well, for the purpose of carrying it out. While I have no objection at all to the State officers doing this business if they can do it, I still think that the Governors of this State exercising their high offices should selcet from the entire people of the State four men of the highest standing (as they naturally would) for so important a position as this, and I think they may be safely trusted with the appointment.

There is another objection I want to call the attention of the House to. The Secretary of State, who is named in this bill, receives under the constitution $800 a year. The constitution forbids us giving him any other compensation of any kind. These duties will be imposed upon him as extra duties. If he draws more from the State he draws it in open violation of the constitution of the State. There is no way he can get around it. We may evade it, we might pass a law, he may have his bills audited, would it would still be unlawful. Every one of us have taken a solemn oath to support the constitution of the State. Do we care now to violate it, simply to give somebody a job? or to give somebody a little more money than he is at present drawing. For my part

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I would connive at any slight irregularity for the purpose of aiding the Secretary of State, who is not half paid for his present services. But I do not know that it would aid him any to double the services and at the same time have him limited in his salary. The next officer in the list is the State Treasurer, who for all the vast responsibility there is in connection with the State Treasury receives $800 a year only, and he cannot receive another penny except by a violation of the fundamental law of the State. The next is the Commissioner of the State Land Office who is in the same category. The three gentlemen get $800 a year for their services and there is no warrant in law for our increasing it. As far as the Lieutenant Governor is concerned I doubt whether we would have any right to give him compesation because his compensation is expressly fixed by the constitution of the State. So far as the Auditor General is concerned that is within our control because his salary is fixed by the Legislature and not by the constitution.

Now, I favor very strongly the appointment of this board; I favor it also for another reason that I desire to call your attention to. The majority in this House is very great, but not quite as great as it was in the former Legislature, when the leader and friends of the opposite party stood here alone; but still our majority is large.

At present all our State boards are non-partisan. Although one majority has control of the State, it has followed a generous and manly course towards the other interests, and given them representation upon the different boards.

Are we ready now to say to the people of this State: "We will make this a partisan board—it shall be all Republican or it shall be all Democrat?" For my part I would much prefer to leave it to the Governor of the State, so that in his discretion he may select the leading men from both parties to act on this important board.

We do not want to have one party entirely running the government of this State; we want every citizen of this State to feel the same interest in it. And I know, from the policy that the present Governor has hitherto pursued and the policy that other Governors have pursued, that if this board should be appointed by him, he will select leading and honorable members from both parties.

I should expect this treatment from the opposition if it should be entrusted with the government hereafter; and what I should expect from them I desire to see my own party do. Let us be generous and just with the people of this State. It is no reason, because we have a majority in the Legislature and a majority of the State officers, or all the State officers, that we should absorb all of the administrative functions of the State. It is unfair and I hope it may not prevail; so that for the present I shall be compelled to vote against this substitute, and insist as far as I possibly can upon the principle laid down in the original bill.

Mr. Graham:

I desire to remind the Chairman of the committee on the Revision of the Statutes, our distinguished friend from Wayne, that when this question was reached before that committee, I voted uniformly on every occasion against the appointment of a board by the Governor, and in favor of an elective board; I voted to report this bill out, but I distinctly reserved to myself the right to make this amendment upon the floor

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of this House, and I must say I am a little surprised when he brings up the question that it is an unusual thing for a member of a committee to introduce an amendment or substitute after having voted the bill out of the committee. That was the distinct understanding, and I introduce this substitute not because of our friend, the Governor, or any future Governor—that has nothing to do with the case whatever—but I do it upon the broad ground of public policy. I do not know of a single instance anywhere in city, village, township, State, county or any other form of government where an assessing officer is made an appointive officer.

Mr. Atkinson:

It is so in Detroit; there our assessors are appointed and confirmed by the council, and I think in Grand Rapids it is so.

Mr. Graham (resuming):

They should be made elective and come directly from the people. I wish to say furthermore, as a member of this committee, I will guarantee I have been asked by a dozen members, yes, twenty members of this House, to endeavor to get that provision inserted in the bill, and to make that change. I believe it would be more satisfactory to the people; it brings it down to the people. Governor Pingree himself says you never need be afraid of the people, they will do what is right. Let them elect these officers. It is no more expensive; it costs absolutely no more than it does to have them appointed, and will it not be better, will it not be more satisfactory?

Now, as to the political situation: We give our friends on the other side the same opportunity to control the board, if they desire, to that we have ourselves. It comes up at the general election, and the gentlemen composing the board are elected; even more, it carries it over a period of sufficient time so that they will not be without one man, old and experienced; it carries it over two administrations, and the time will never come when they are without one man who has had experience.

I believe there are various advantages in this method as set forth by this substitute over the other, and on the broad ground of public policy I do believe that these assessing officers should be elected by the people.

Mr. Bemis:

Mr. Chairman and gentlemen of the House: We hear considerable of late about the people, about a desire that the people shall have just and equal taxation.

The fact seems to be brought before us, or an attempt made to bring the fact before us, that in some way the rights of the people have in a measure been taken from them, and that we desire to get back to that closer relation that we must have had at some past time, to them, if their rights have been abridged. Now, Mr. Chairman, we are told that we ought to get in line with the people in this matter. If I understand that statement correctly, am I to understand that the section of this bill as introduced is more in line with the people than the substitute offered by my friend from Kent?

Now, Mr. Chairman, I suppose we are in a democratic-republican form of government; I suppose we have no desire to limit the power of the people in controlling that government.

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I believe that the whole principle of appointive State officers is wrong. I have always believed that, and 1 believe it still; and as a member of this House who desires that the authority of the people in all matters shall be extended, rather than diminished I shall be compelled to oppose any measure that would take from them their power.

Now, I do not see where we are going to get in line with the people by placing arbitrarily, or in a modified arbitrary manner officers over them—State officers. I believe we will be much more in line with the people should we elect these officers than in any othr way. This board as composed by the substitute is merely a temporary board.

Now, it may be as the gentleman from Wayne has said that there are constitutional difficulties in the way of the Secretary of State acting according to that substitute. I suppose there could be no objection to the Auditor General, the State Treasurer and the Commissioner of the State Land Office at least, acting in that capacity, and receiving additional pay for their services the same as they have received for years on the State telegraph and telephone boards. If there is anything in this substitute that needs slight change, let that slight change be made. I have no doubt that my friend from Kent would agree to this, if it is at all uncertain as to the constitutionality of it. Now, sir, we would be much more in line with the people to advocate giving the people the right to elect their State officers than for anybody to appoint them.

I regret, sir, as I have said before, that there is any State officer who is not elected by the people, and I hope, sir, there will never be an addition made to that list.

Mr. Clute:

While I agree with this substitute so far as the elective part of it is concerned, I believe in the election of these assessors, this board, by th people, still I do not favor the initiative of this bill. In the first place this board shall immediately or as soon as possible commence their work, in the second place, they should give their whole time to it. This is a big question that has got to be looked into. This question will require the undivided time of the commission until the next session of the Legislature in my opinion.

In the first place the bill requires that the taxes should be compared over the State to get an average, and the corporations thoroughly investigated and looked into. Now, I believe that this board at the next session of the Legislature would, if properly handled, be able to report to the Legislature what legislation was necessary to correct this whole tax system.

Gentlemen come on here and say "Why, yes, we know that this is wrong, we know it is unequal, and the assessments want revising from top to bottom," now how are we going to do it? Are we going to take the State officers away from their duties to look this whole matter up so as to be able to report to the next Legislature to revise this tax business?

Now, gentlemen, this board when the next Legislature meets, will have the data, and must necessarily have it, and we can revise if necessary the whole tax legislation; and more than that, the next Legislature will undoubtedly increase their powers so that they can do it and do it intelligently.

I believe the proper thing to do is for the Governor to appoint men to investigate this, and he will appoint men that will investigate it, for that is his hobby, if I may so remark.

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Mr. Kelly:

I rise to a point of order.

The Chairman:

You will please state your point of order.

Mr. Kelly:

The gentleman is advocating the passage of my bill, and it is not now under consideration.

Mr. Clute:

When you draw out your bill, maybe I will be able to give it a racket. I haven't read your bill, I am sorry to say.

The matter of initiating this board, I am opposed to this manner; and I am ready to vote for an elective commission at the proper time, and I hope we may have one, and I am opposed to this on the ground that we don't really get a commission as I see; these State officers are not going to spend their whole time until this thing is investigated, for fun, and bear their own expenses, if there is no way to pay them, why should we set them at this job? That is the way I look at it and I hope this section will not be adopted.

Mr. Fleischhauer:

I certainly hope we will put this matter into the hands of the people, they certainly are the better judges of who they want to do this work for them.

Now, I do not look at this as though it was taking away any courtesy or any power from our present Governor over that which any other Governor has had, but by passing the bill with the original section, we are giving him added power beyond any other Governor of this State has ever had.

Now, I see no reason for this at all; I see no reason why it should be asked; and furthermore I see this one disadvantage, that we do not know who the Governors will be in the future, and I fear that possibly at some time in the future we may have a Governor who will be too friendly with the railroads and therefore would appoint a commission that would favor them altogether too much, and throw this State in a turmoil that it possibly could not be thrown into if we gave the matter direct to the people.

Mr. Atkinson:

How is it about the Lieutenant Governor to whom you give this power now, of assessment.

Mr. Fleischhauer:

He is elected by the people as one of the Board.

Mr. Atkinson:

But is not friendly with the railroads.

Mr. Fleischhauer:

Not that I know of.

Mr. Atkinson:

I would prefer you would put Ashley Pond on.

Mr. Fleischhauer:

I did not mean by saying "a friend of the railroad" that such a person cannot act unbiased on the matter, but when I spoke of the term "friends" before, I said "too friendly," or meant to say, "too friendly," altogether to railroads, he might be nominated and elected by the influences of the railroads. I have no doubt but what the present Governor would nomin-

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ate leading and honorable men to this position and that the State of Michigan would have efficient officers, but we would be establishing a precedent here that would spread way out beyond our reach and that we may not be able to recall until a very great damage is done. So far as giving this into the hands of any one political party, as has been already rightly said, the Democrats have the same right to come before the people with their nominees, and demand their election, and I tell you if matters go in the future as they have in the past, the minority will stand a better show of being represented on this Board than it will if it shall be appointed by a Republican government.

Mr. Peters:

The gentleman from Wayne, Mr. Dickinson, has called our attention to article 8, section 1 of the Constitution. That: "There shall be elected at each biennial election a Secretary of State, a Superintendent of Public Instruction, a State Treasurer, a Commissioner of the Land Office, an Auditor General, and an Attorney General for the term of two years; they shall keep their offices at the seat of government and shall perform such duties as may be prescribed by law."

Now, it occurs to me, Mr. Chairman and gentlemen of the House, if this Legislature sees fit to prescribe some other duties for a Board to perform who shall be elected by the people, they have that right. These men have taken a constitutional oath that they will support the Constitution, and that they will perform the duties of their respective offices, they have subscribed to that oath, and it is expected by the people of the State of Michigan that they will perform those duties.

I claim, sir, that this Legislature has a constitutional right, if it sees fit to enact a law to make another Board by which the people of the State of Michigan may be served in a new capacity, in a manner which is somewhat revolutionary to start with, but the fact that these men have an acquaintance with the taxes and with everything pertaining to the taxes of the State, and also the fact of their being a Board now—three of them in connection with the telegraph and telephone board of this State, they serve the State in that capacity; this Legislature has the right to say that these men can serve as a board contemplated by this bill. It seems to me that as long as the Constitution of this State has said we may do some thing, I believe we can do other things along the same line. The Constitution of this State is not similar to the Constitution of the United States, in that, the Constitution of the United States has prescribed the duties of Congress, but the Constitution of the State of Michigan has not prescribed the duties of its Legislature; they have thrown a great many bulwarks around us to keep the Legislature within bounds, the Constitution says, we cannot raise the salaries of certain State officers, but it does not say we shall not designate certain duties for them to perform.

Therefore, I think the contention that this amendment would make the bill unconstitutional, will not obtain.

Now, a great deal has been said about the confidence in the people. That sounds very nice. I am sure it sounds nice for any man to get up here and say the people are demanding this. Very well, if they are demanding this, let us put it where they can exercise their right of electing these men to these offices.

I do not believe that any Governor in any State of this Union should have such power placed in his hands. It gives him a power which we

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ought to take into consideration in view of the mighty interest which that Board will have to deal with, it may possibly be the means of doing something that they ought not to do.

Now, if this is placed in the hands of these five men that are mentioned, I do not see what harm can come of it; then when the people meet in their respective conventions to nominate these men in November, the people can say who they will have on that Board. I therefore trust, Mr. Chairman, that the amendment offered by the gentleman from Kent will prevail, and let this House understand if possible, that the constitutional question that may be raised, can only be decided by another tribunal.

Mr. J. H. Dickinson:

I wish to reply to the gentleman from Marquette. He seems to have misunderstood the question that I raised. I made no reference whatever to the present State officers that are elected upon this Board.

Mr. Peters:

May I ask the gentleman from Wayne a question.

The Chairman:

Do you desire to answer the question.

Mr. J. H. Dickinson:

If I can do so.

Mr. Peters:

Did not you cite article 8, section one of the Constitution.

Mr. Dickinson:

I did, but it was not in connection with that portion of the proposed substitute that dealt with the State officers. It was that portion of the substitute that created a new Board to be elected by the people, so far as giving that power to State officers that is mentioned in the substitute making them a Board of Assessors. The question that I raised was, could this Legislature create a new elective office, could we create a Board to be elected by the people when the constitution prescribes the officers of the State that are to elected. I do not doubt but what we have the power under the constitution to say that the Secretary of State, the Commisioner of the Land Office, and the rest of the officers named can perform the duties of assessing; possibly they do in certain instances, so far as telegraph and telephone companies are concerned, and I wish the gentleman to be corrected upon that point, it was simply the Board provided by the substitute that is to be elected by the people, and not that portion of the substitute that provides that these State officers can perform that duty up to a certain time.

Mr. Scully:

I move an amendment to the substitute.

The Chairman:

The amendment is in order.

The Clerk reads the same.

Mr. Scully:

I do not believe there is anything in the contention made by the gentleman from Wayne that we cannot elect this board. The constitution of Michigan, as I understand it—the limitation of power—and I have not found in the constitution any prohibition against the election of other officers not named therein. The constitution does provide that certain officers of the State shall be elected; it does not say that

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other officers shall not be elected. So I do not believe there is anything in that question.

Now, Mr. Chairman, I am strongly in favor of making this board elective. The duties of this board are very important, and I believe that we will get a better board by having them elective than by having these members appointive. I do not believe that the State officers should constitute this board. They have large and other duties already to perform, and I believe that the work of the first board will be the greatest work to be done by this assessing board. They will have to make the entire estimate of this railroad property, and I believe the Governor is ready to appoint competent men who will be able to give their entire time and attention to making this assessment; so that is the reason I offer this amendment. I do not believe in the contention here that we should have a board appointed by any man or elected by the people, that will be an enemy of the railroad companies or a friend of any faction. I believe that these interests are too grave to have any such feeling in making this estimate. We should have a fair board, and I believe the Governor of the State of Michigan today, if this matter was left to him to appoint a board, would appoint a board that might be fair and treat this matter candidly.

The Chairman:

The question is on the amendment.

Mr. Bemis:

Mr. Chairman, I do not know that I understand correctly one thing with regard to one of the features of this bill. Now, if my judgment is not at fault, it seems to me that this section that we are now discussing, the substitute for the amendment to the substitute may be called secondary matters. I would like to ask the introducer of the bill if he considers me wrong in that judgment.

Mr. Atkinson:

I do not regard the make-up of the board in any sense. While I am on the floor I desire to say that upon further thought and consultation with some excellent lawyers who happened to be present here, I have no doubt of the power to elect, if we choose to elect. I do not regard the make-up of the board as at all material; it is only temporary.

Mr. Bemis:

Then, Mr. Chairman, I certainly should not expect that it would have any serious opposition from any one on the amendments to this section.

Mr. F. Shepherd:

Mr. Chairman, While the proposition to decrease the number of the board from five to three, from the standpoint of economy is commendable, it seems to me that the greatest work will be done by the board who shall first assume the duties of this office and make the initial investigations. They will mark the course which shall be followed more or less closely by subsequent boards, and they should have the assistance and whatever brain power five members will be able to give them. I believe this is the reason of the proposition of the gentleman from Kent, Mr. Graham, in providing for a first board of five members.

I hope the gentleman from Ionia (Mr. Scully) will consent to an amendment of his amendment that will increase the number of the first board to five, or the number provided in the substitute.

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However, it strikes me, Mr. Chairman and gentlemen, that there is no other board created by the laws of this State—there is no appointive board at present—which has the power of levying taxes; and for that reason, and that reason only, I shall oppose the amendment proposed by my friend from Ionia, for amending the substitute as made by the gentleman from Kent.

I doubt the constitutionality of delegating a power of this Legislature, so far as it relates to the levying of taxes. But if that power can be delegated at all it seems to me, Mr. Chairman, that it should be delegated to a body who are elected, as nearly as may be, as we are, by the people themselves. This bill as reported out of committee, as I understand it, delegates to the board the power of levying taxes. If it does not delegate that power it does not do anything. To me, Mr. Chairman, it is quite clear that the constitution vests that power of levying taxes in the Legislature; if it does not do so, I cannot see how any power is conferred upon this body. So I hope if this amendment prevails that it will increase the number of the board to five; but it seems to me that it should not prevail at all unless the board is made elective, or composed of officers who are elective, as proposed by the substitute offered by the gentleman from Kent.

Mr. Donovan:

I am in favor of the amendment of the substitute, Mr. Chairman, because I believe that the addition of the first substitute is more in consonance with the ideas of the people of this State; it gets nearer to the people.

Now I believe it is but fair and just to the originator of this proposition to give him an opportunity to have a hand in the appointment of the board—the formation of that board. I believe that Mr. Shepherd is right as far as the powers of delegating the business of levying these taxes to any board. We have run against dangers in that respect before and we ought to steer clear of them at this time, it seems to me.

I do not know that a board brought into existence by appointment or by election very much differs the constitutionality of their work. But I think we ought to look this matter in the face squarely; that we ought to have what is for the very best interest of the people of the State and not go hurriedly about it, but do what the majority here thinks is right. I think it is right not to come to a conclusion too hastily. I favor the amendment to the substitute.

Mr. Smith:

Mr. Speaker and gentlemen of the House, I hope the amendment will not prevail. In regard to the substitute, I believe it would be better to have the board elected by the people; I believe it would be better in all cases for any such board ,where they have so much responsibility, to be elected by the people.

I would prefer, indeed, that this board should consist of State officers; if that cannot be, I would be in favor of electing commissioners, as this substitute provides. It is a good thing to put this responsibility where it rests upon the people's shoulders and then if they do not exactly get at the truth—if they do not exactly do as we think they ought to, there is no fault found.

Imagine how it would be to try a case—criminal case or any other case before a lot of judges, who would be superior to any jury you can select;

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but imagine what would be the effect in this country if the cases in court were tried before judges instead of before juries! You would get verdicts in accordance with the law; you would get verdicts just as fair and right as you would from juries, but when a jury decides a case, that settles it with the people—there is no more fault found.

Now if we constitute this board as coming from the votes of the people, they will have the same respect for them and the same acquiescence in anything they may do. If it be constituted as proposed, to be appointed by the present Governor or any other Governor, the people will never be satisfied with anything they do, should they happen to think different from what the Governor does.

The gentleman has asked why the present Governor should not be entrusted with that; but I believe it is dangerous to trust any such responsibilities upon any Governor, because there are so many things he could accomplish by them, if he should be so disposed. We all know that the present Governor, according to some notions, has done improper things—that he has attempted to interfere with a co-ordinate branch of the State government. That might influence some people in supposing that we ought not to entrust him with this duty. But for the purpose of this discussion I will only allude to this one subject, and that is the subject of railway assessment. The Governor says, in his message, and I will say I always find his messages are interesting reading—and I generally change my opinion about them every time I read them—the Governor says in his message that the railroad companies in this State are not bearing their just proportion of taxes. "For the purpose of illustration I desire to call your attention to the official figures of 1895 which are not materially different from those of the present year, and which, having been asted upon, are more certain for the purposes of computation." Then he proceeds to call our attention to the fact that the property of this State was assessed at $818,086,160, and he says, "The Board of Review, acting under Sec. 1239 of Howell's statutes fixed the average rates of taxes for State, county and municipal purposes, at .028." But that, Mr. Chairman, is not a plain statement. The property of the State at that time was assessed at nine hundred and twenty-five million and not eight hundred and eighteen million.

Now why, sir, could not he have said nine hundred and twenty-five million? He didn't, because this sounds better.

In another section he says that the railroads are one-third of the property of the State, and that the other property assessed under the general tax law is two-thirds. Now eight hundred and eighteen million is not two-thirds, but it is very nearly; so that carries out his assertion very well; but the fact of the matter is that it was nine hundred and twenty-five million.

Mr. Atkinson:

Will the gentleman from Houghton allow me to ask him a question?

Mr. Smith:

Yes sir, certainly.

Mr. Atkinson:

Where do you get your authority for that statement?

Mr. Smith:

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Well, Colonel, I find it in so many books, I do not really know which one to cite you to. You will find it in the Auditor General's and in the report of the State Statistician.

Mr. Atkinson:

I would say that the figures are taken from the Auditor General's report, and I think the Governor gives you the page; so I don't think there can be any mistake about it.

Mr. Smith:

I said that eight hundred and eighteen was right as stated here, as fixed by the boards of supervisors, but anyone who knows anything about assessments knows it does not mean anything.

Mr. Atkinson:

The official figures are correctly given, are they not?

Mr. Smith:

They are correctly given; but there is where I consider the main objection to them to be—because they are a subterfuge—they do not express what they are represented to show. The property of this State, assessed by the different towns and counties was nine hundred and twenty-five million as I said before; and more than that, the State Board of Review fixed it at eleven hundred and five million. Why would it not be as well to say that? That would not have answered his purpose. But further along in the same section he says: "The Board of Review, acting under section 1239 of Howell's statutes, fixed the average rate of taxes for State, county and municipal purposes, at .028. Now, there isn't any such board—no such body ever had that subject before them—no committee ever fixed the rate of taxation on the property throughout the State—it was never before them; they never had the data. There was no law to show for it either. Where they came from I don't know. I simply know that there is no such thing fixed by the Board of Review in this State.

Mr. Atkinson:

Will the gentleman from Houghton allow me to refer him to the statute?

Mr. Smith:

Certainly.

Mr. Atkinson:

I will refer you to the statute, section 1239. Does not that expressly give the Board of Review the authority to ascertain the average rate of taxes in the State?

Mr. Smith:

It has no more to do or say about it than the gentleman from Wayne or I have.

Mr. Atkinson:

How does this board assess the telephone or telegraph companies at the average rate?

Mr. Smith:

They take the average rates, not in the State, because they do not know about it and never did. It makes them fix the rate upon their own property. There are no statistics to show the taxes except for five years, as they were collected by the Statistician. I take his figures for those taxes for the year 1896—I think that is the year—his taxes would amount

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to one and seven-tenths per cent instead of two and eight-tenths per cent. How it can be explained, I do not know. If this board attempted to take all these taxes that are represented in this message, then they should have said one and seven-tenths per cent instead of two and eight-tenths per cent. One and seven-tenths on the State Board of Review valuation will amount to as much as the taxes for all purposes during that year would amount to, except the liquor tax and dog tax; and in all my remarks, I would have you remember that I refer to the taxes under the general law. Under these bills—under my own bill, it might be considered to include liquar tax and dog tax nearly two millions. But I intend to have that stricken out from either bill.

Further on the Governor says: "The Board of Review for the year 1897, is reported to me as 3 per cent. Think of that gentlemen—3 per cent on the valuation of all the property in the State. There is no portion of the State where the rate is less, but it is more than that. I have paid taxes as high as 7 per cent. But the general taxes are very much lower, as I have shown.

Mr. Atkinson:

Will the gentleman from Houghton give us his authority for that statement? To what statistics do you refer?

Mr. Smith:

I refer to the only statistics that were ever made in the State of Michigan—those made by the State Statistician.

Mr. Atkinson:

Refer to page 18 of his message—the correct record of the Board of Review.

Mr. Smith:

There is no such board.

Mr. Herrig:

Mr. Chairman, I would like to know what all these arguments have to do on the substitute offered by Mr. Graham and these other gentlemen.

The Chairman:

We are discussing the question of the amendment of the substitution to section one.

Mr. Smith:

It has this to do with it, Mr. Chairman. The gentleman from Wayne says "What reason have you to offer why the Governor should not be charged with this duty?" We say that he is prejudiced against these railroads—against such property, and I cite these things to show that he does not make correct statements in regard to them; that we cannot take his message as a guide to form our judgment by. Now, that is what it has to do with the case. That is what it has to do with this substitution, and if that is not relevant here, I should be pleased to be called to order.

The Chairman:

The gentleman is in order.

Mr. Smith:

Now, when we find this Board of Review's statements show that there is a ground for discrediting the present Governor, I cite him to the facts. I hope you gentlemen will understand I do this in the interests of the board that will have charge of this business, and they will do justice to all parties and not tax railroads or any other corporation 3 per cent, but that they will find out the actual percentage that they should charge.

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One and seven-tenths is the highest I have found, and use that in the computation.

The Chairman:

The question is on the amendment.

Mr. Eikhoff:

It has occurred to me that we are consuming very valuable time in considering the first section of this law. We have no assurance that the most essential features of this law are going to be adopted. We have consumed practically half a day in discussing the first section and if the essential feature is defeated, all this time would be lost. I desire, Mr. Chairman, to make a motion, if I would be in order, at the present time, and that would be to pass by the consideration of section one until after we have considered the last section in the bill. I believe it is necessary, so as to expedite business; and when we have agreed upon a plan of assessment, and the amount, I believe that is the proper time to thrash out the question as to how the money shall be collected and who shall do it, and all those things that have been discussed this morning. I believe we can come to a conclusion more rapidly in that manner than we would in the manner we are pursuing at the present time. And at the same time if the bill should be defeated in its essential fatures, the valuable time which is being consumed will not be lost. Now, Mr. Chairman, if a motion is in order, I desire to make a motion at the present time.

I will make a motion that the further consideration of section one of this bill be postponed until after the last section of the bill has been considered.

The Chairman:

The Chair would suggest that the motion be that the whole bill be read before any other bill be considered.

Mr. Sawyer:

I had sincerely hoped that the discussion of this question this morning would be shorn as far as possible of everything and anything that will engender any feeling upon the part of anybody. I think it is possible for us to consider this matter dispassionately and dispose of it and go home. We are certainly not going to do it if we increase the strife that has already, to a large extent, shown itself. I believe that every gentleman present is anxious to see this matter drawn to its final conclusion. For one I had hoped that section one might be amended by the consent of the mover of the bill and by the Committee. I had hoped that those who had this matter in charge, would feel that the material portions of the bill would not be affected in any way by the question of who shall constitute this board, or how it shall be constituted. I say I had hoped under such an admission as that, that discussion upon this question, that is liable to hinder the passage of the entire bill, might be avoided, and that my friends might consent that this amendment might be made. There is no reason, I take it, why I should fail to have confidence in the power and discretion of the people. From them we have come; why not go to them direct. All officers arise from the body of the people, and are the representatives of the will and wish of the people; and while this board will have to a large extent, the same ministerial duty to perform, yet, I think the people will be better suited if we say to them that: "We have put this matter in your hands; we ask you to elect your own

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representatives." When we have done that, you will take into consideration all the elements of society that are involved in this controversy. To me it is a matter of considerable importance that the laboring element shall have an opportunity to express itself, not through the Governor, but at the convention. We shall place in nomination the officers that are to hold this important position. It seems to me that every element of society is to a greater or less extent interested in this question as to whether or not this is to be an elective board. I stand here representing the whole people. We should go back to the people and say to them "We have placed this board in your hands to elect whoever you see fit." You have then come nearer to the representatives of the entire people and their entire interests than you will be by making it an appointed board.

It is for this reason that I myself offer this amendment,—or this substitute, not the amendment. I hope the House will take this matter under consideration, and if the gentlemen who are representing this measure, and are supposed to be representing the will of the executive power in that matter would find it convenient and prudent to accept the amendment, that is in no sense material to the provisions of the bill, as it shall eventually be carried out.

Mr. Atkinson:

Would the gentleman allow me to interrupt him a moment. I would say that if the amendment expresses the wishes of so many members of the House I have no objection, and I don't think the proponants of this bill have any objection to making the board elective, especially as the proposition comes from the minority of the House. It was only in fairness to them that I urged the other; but I think the board ought to be composed of five members, because if you should have one sick or unable to attend, or anything of that kind, you reduce the number to two which would make it too small, and three should constitute a quorum for the work of the board. Now, if this substitute would be acceptable to the House to leave the appointment in the interim to the Governor and elect the board in November I have no objections.

Mr. Sawyer:

I think the only thing, so far as I have heard it expressed by the members who have spoken to me upon the subject, is that the Board of State Auditors, so far as it can well be, shall constitute this board.

Mr. Atkinson:

Then if you desire I will accept that.

Mr. Sawyer:

I thank you, it is the noblest exhibition I have seen since I have been here.

Mr. Savage:

I understand that we are first to vote upon the amendment, then upon the substitute.

The Chairman:

Yes, the amendment and the substitute. It takes away practically the whole of section one of the bill.

Mr. Savage:

I want it generally understood that we vote first upon the amendment, then upon the substitute.

Mr. Sawyer:

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I wish no apprehension upon that subject. I hope Mr. Scully will withdraw his amendment to that substitute, inasmuch as it is so nearly harmonious with the substitute.

The Chairman:

The amendment is offered by Mr. Scully, not the substitute.

Mr. Atkinson:

If the gentleman will make it five instead of three I will be glad to accept it.

Mr. Scully:

I will accept your suggestion.

Mr. Connors:

I would ask that the substitute be read as amended.

(The Clerk reads.)

The Chairman:

Are you ready for the question?

Mr. Sawyer:

I understand it then that the question we are now to vote upon is whether Mr. Scully's amendment to the substitute shall be agreed to. If that prevails the authority to appoint a temporary board goes to the Governor instead of giving it to the State officers as the other bill and amendments are made.

The Clerk:

Two resident electors to be appointed by the Governor, together with the Auditor General, who shall be ex officio member.

Mr. Atkinson:

I understand my brother consents to the amendment to five instead of three.

Mr. Savage:

I believe, gentlemen of the House, that it is advisable and just to make the board elective after January first, that the people may select who shall or who shall not be members of that board, and that board may be directly responsible and answerable to the people. I think it should also prevail before the first of January or any time thereafter to make our State officers, gentlemen who have controlled the machinery of the State for the past two years the first members of that board, who shall make the first assessment; those who are members of the Board of Equalization of the State of Michigan, it is they who assess the telephone and telegraph companies, I understand. It is they who have access to the books of our State departments, and I say, sir, if there are any gentlemen in the State of Michigan who are able and capable of making this assessment and making it in the best interest of all the people of the State of Michigan, they are the ones. I do not believe, sir, that we should say that we have not explicit confidence in our State officers to perform this duty and to perform it accurately and well.

Mr. Clute:

I wish to ask this question: If you have any assurance from these gentlemen that they will perform these duties without pay; if not, how do you propose to pay them? I would like to have that answered.

Mr. Savage:

In reply to that let me say that I have myself personally gone to those gentlemen this morning, since this question has been talked of, and

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they have expressed their willingness to do these duties whether they get paid or do not get paid. I talked with the Land Commissioner and with the State Treasurer. I also talked with the Auditor General with regard to the matter, and each one of them assured me that they would take the responsibility until other members could be elected, and for my part I want to say that the men to perform this business should be those who are directly responsible to the people of the State of Michigan in this case as well as in any other, and I trust, inasmuch as the introducer of the bill is willing to have that first section of the bill amended, that the gentleman from Ionia may withdraw his amendment, and if not withdrawn I sincerely hope it will be voted down, and the substitute as presented by the gentleman from Grand Rapids be adopted, thereby placing upon the same basis and upon the same plane from now to the first day of January, the assessment as it will be by the elective board thereafter.

Mr. Bemis:

As I have stated before, it seems to me that we are discussing a principle that should govern this question, as to whether officers elected by the people of the State shall assess our property, or whether a board appointed by some one man. It seems to me any allusion whatever to the present Governor, or future Governors of the State, is entirely out of place. We are discussing a principle, not men. I am sorry that the gentleman from Ionia has consented to a change in this matter. I am sorry it was done at all. We are told by the gentleman from Wayne that the assessors in Detroit are appointed; so much the worse for Detroit.

Mr. Atkinson:

They are not appointed in Detroit.

Mr. Bemis:

So much the worse for any other city in this State. I hope you will hold to this principle. That principle is certainly wrong. The principle of appointing State officers is wrong; if the principle is wrong we should not adopt it. Why should we adopt it as to a temporary board? We have officers elected by the people of the State who can legally perform these duties. It has not been proven to us that they cannot do this, and it seems to me we ought to hold to the principle.

Mr. Clute:

I move that the committee now arise.

The Chair:

The motion before the House is that the committee now arise.

Mr. Atkinson:

I hope the motion will not prevail. I hope we may dispose of this section at least before we rise, then I would have no objection to rising.

Mr. Clute:

Perhaps I can stand it a half hour longer.

Mr. Sawyer:

I understand the practice and rule is that we arise and report progress, no matter what we had done we leave everything where we were when we started in.

Mr. Atkinson:

That motion is withdrawn.

The Chairman:

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The question is on the passage of the amendment; all those in favor of the amendment as offered by Mr. Scully will signify it by saying aye.

Mr. Peters:

I would like to hear the amendment read.

Amendment read by the Clerk.

The Chairman:

All those in favor of the amendment will signify by saying aye; opposed, no.

The Chairman:

The Chair is in doubt; those in favor of the amendment will signify by rising to their feet. The motion prevails.

The Chairman:

We now vote upon the substitute as amended, which practically strikes out section 1.

Mr. M. G. Moore:

Is section 1 amended?

The Clerk:

That has been amended through the adoption substitute.

Mr. Graham:

I move to amend "each subsequent election" so as to read "each subsequent general election." Insert the word "general" before election.

Mr. Atkinson:

If that is made it will be accepted.

Mr. Shepherd:

Is it confined to the general election held in November? To each subsequent November election?

Mr. Donovan:

Would that make four or five?

The Clerk:

Five with the Auditor General.

Mr. Graham:

I have another amendment I desire to offer.

The Chairman:

The Chair will say that the amendment of the gentleman from Cheboygan has not been acted upon and will put that motion.

Mr. Graham:

I desire to offer another amendment to change the word "freeholders" to "electors" in line 3.

The Chairman:

The Clerk will read the portion of the bill it is proposed to amend.

The Clerk:

The amendment proposed by Mr. Graham is to change "freeholders" to "electors" so it will read that "there shall be elected at the general election to be held in the year 1898 two resident electors" instead of three freeholders.

Mr. Alward:

I voted for the amendment to the substitute for the appointment of this temporary board by the Governor. Now, I do not believe, gentlemen, that it is necessary to have five on the permanent board. At first the work of this board will be very great, and perhaps we would be justified in having a larger number, but after that the work will not be very arduous. We have a guide upon which I base my opinion. Indiana

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gets along with two commissioners. Now, I would prefer the Indiana system to this. If necessary, I believe rightly too, I would make the State Board of Review and let those two permanent officers be assessors of this property and submit their findings to the Board of Review. I am opposed to a permanent board of this kind of five members without any Board of Review on the assessment of this property.

The Chairman:

The question is on the amendment offered by the gentleman from Kent, Mr. Graham.

Mr. Gustin:

Is that entire section 1?

The Clerk:

Yes sir, an elective board, provides for the election of two resident freeholders, who together with the Auditor General shall constitute the State Board of Assessors. It seems to me there ought to be four elected the the first time.

Mr. Gustin:

I was going to suggest that if this was not fixed properly we might arise and report progress and fix it up after dinner.

Mr. Fleischhauer:

I move the committee now arise and report progress and ask leave to sit again.

The motion prevailed.

The House was called to order by the Speaker.

By the committee of the whole:

The committee of the whole have had under consideration the following:

House bill No. 1 (file No. 16), entitled

A bill to provide for the assessment and levy of taxes upon the property of railroad companies, express companies, telegraph companies and telephone companies and the collection thereof, and the appointment of a State Board of Assessors to make such assessments and levy, and defining the duties of such board, and the compensation of its members, and to repeal Sec. 33 of act No. 42 of the laws of 1846 as amended by act No. 179 of the laws of 1893, and Sec. 31 of act No. 113 of the laws of 1846 and the amendments thereto, and all other acts or parts of acts whether contained in special acts under which any of the companies whose property is to be assessed under this act shall have been incorporated or under the general railroad law and the amendments thereto, or in the act for the incorporation of union railroad stations and depot grounds, or in any other law of this State so far as such acts or parts of acts are inconsistent with this act and no further;

But not having gone though therewith, have directed their chairman to report that fact to the House and ask leave to sit again.

L. F. Otis,
Chairman.

Report accepted and committee discharged.

On motion of Mr. Fleischhauer,

Leave was granted the committee to sit again for the consideration of the bill.

On motion of Mr. Whitney,

The House took a recess until 2 o'clock this afternoon.

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AFTERNOON SESSION.

2 o'clock p. m.

The House met and was called to order by the Speaker.

Roll called: quorum present.

By unanimous consent,

Mr. Chamberlain offered the following:

Whereas, There occur in many parts of the Journal Supplement gross inaccuracies and unpardonable blunders; and

Whereas, Such inaccuracies and blunders are especially numerous and prominent in the issue of the supplement for March 29th, inst., and

Whereas, An examination of the subject discloses the fact that the notes of the stenographers as extended and sent to the printer are correct, therefore

Resolved, That the State Printer be and is hereby required to reprint the Supplemental Journal of March 29, inst., without compensation therefor, and that he be requested to avoid the making of such errors in future.

Mr. Chamberlain:

We have been discovering these mistakes for some time in the supplemental Journals printed. These stenographers have kindly volunteered their services but the transcripts furnished by them have been printed in the Supplemental Journal at great cost to the State. In the Journal I have especially mentioned I desire to say that the remarks of the gentleman from Wayne, Mr. Atkinson, and the gentleman from Washtenaw, Mr. Sawyer, have been examined and compared with the transcripts made by the stenographers that were originally sent to the printing office and we find that the stenographers have a system of extending their notes and going over it the second time and comparing it so there can be absolutely no mistake, the transcripts of the stenographers as presented have been absolutely correct. In every page of every supplement that has been sent to us we find there are repetitions, parts of sentences, sentences cut off in the middle and a lot of very material matter left out, so when you read it it simply means nothing. Every dollar paid for the printing of these Journals is absolutely thrown away. It is an injustice to the stenographers and to many of us on this floor, and I think the whole House will agree that it is something that ought to be corrected here and now. I believe that if these gentlemen are required to reprint this supplement without compensation they will be a little more careful in the future. It is certainly a very embarrassing to every member of this House that goes upon the record.

The resolution was then adopted.

SPECIAL ORDER.

Mr. Wetherbee moved that the House resolve itself in the committee of the whole on the special order;

Which motion prevailed.

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Whereupon the Speaker called Mr. Gustin to the Chair.

The Chairman:

We were considering section 1 of this bill.

Mr. Graham:

I move to re-consider the vote by which the amendment to the substitute was carried.

The Clerk:

Which amendment?

Mr. Graham:

The Scully amendment. If in order I desire to make a little explanation. After having had some conversation with the gentlemen on both sides of this question, the sentiment seems to be nearly unanimous that if the Attorney General is put in place of the Lieutenant Governor that it will be satisfactory to nearly all concerned.

The Chairman:

It is moved and supported that the vote by which the Scully amendment was adopted be reconsidered. Are you ready for the question?

The motion prevailed.

The Clerk:

The question is on striking out "Lieutenant Governor, Auditor General, Secretary of State, and Commissioner of the State Land Office," and inserting the words "four resident electors of this State to be appointed by the Governor together with the Auditor General, who is ex officio member of the board."

The Chairman:

The question is upon the Scully amendment. Are there any amendments to this amendment?

Mr. Graham:

I wish to make this amendment now to the original substitute as presented by myself. That the words "Lieutenant Governor" be stricken out and "Attorney General" inserted.

The Chairman:

In your amendment to the Scully amendment.

Mr. Graham:

In the original substitute.

The Clerk:

The proposition is to strike out the words "Lieutenant Governor" and insert in place thereof "Attorney General." Then the board will consist of the Attorney General, Auditor General, Secretary of State, State Treasurer and the Commissioner of the State Land Office.

The Chairman:

The question is on the adoption of the Scully amendment.

Mr. Atkinson:

How will it read?

The Clerk:

It makes the provisional board consist of the Attorney General, Auditor General, Secretary of State, State Treasurer and Commissioner of the State Land Office. Mr. Scully's amendment is to strike out that board and make the board consist of four resident electors of this State to be appointed by the Governor together with the Auditor General, etc.

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Mr. Savage:
I understand in order to adopt the substitute it will be necessary to vote down the amendment offered by Mr. Scully.
The Chairman:
That is right. If you wish to adopt the substitute as proposed by Mr. Graham, the Scully amendment will have to be voted down; otherwise we can strike out that portion in Mr. Graham's substitute and put in place thereof the one proposed by Mr. Scully.
Mr. Dudley:
I understand that this matter has been mutually agreed to and it is perfectly in order for Mr. Scully to withdraw his amendment.
The Chairman:
Does Mr. Scully withdraw his amendment?
Mr. Scully:
I understand my amendment has been amended.
The Chairman:
No, sir, the original substitute has been amended. The proposition before the House is upon the amendment as originally proposed by you.
Mr. Scully:
I insist upon my amendment.
The Chairman:
The gentleman insists upon his amendment.
Mr. Bemis:
We are considering the Scully amendment.
The Chairman:
Yes, sir, we are considering the Scully amendment. The House adopted this resolution of Mr. Scully's and after dinner we met and reconsidered the vote by which we adopted it. The proposition before the House now is upon the amendment as originally proposed by Mr. Scully.
Mr. Bemis:
I can hardly see how an amendment can be made to a substitute where we are considering the amendment to substitute.
Mr. Sawyer:
If I understand, it is this: If we desire to vote for the bill containing the provision for the temporary board to consist of the Attorney General and the other State officers mentioned in the substitute we have got to vote down the Scully amendment, then we may take up the substitute, but we must vote down the Scully amendment first.
The Chairman:
That is correct.
Mr. Donovan:
I would like to inquire of somebody what is to be gained by the change. A little while ago when asked about the matter I felt more favorable to it than I do at present. I do not know what benefit is to be derived from it, and if some member can tell us what those changes are and what is to be gained by the change I would feel a little better over it.
Mr. Sawyer:
I don't know as it will make any particular difference. The Attorney General would likely be the adviser for one thing, and the Lieutenant Governor is liable to be called upon to act as Governor, and that might occur during the time of the sitting of this board; I don't know as there is any other special reason. I know of no reason why it should not be done

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and if it will harmonize the members of this House on that question I think we had better do it.

Mr. Donovan:

That is not the point I would like answered. As the resolution stands now the Board would be an appointive one, the first board. I can understand very well why the Attorney General might be substituted for the Lieutenant Governor. There is no question about that part of it in my mind at all. The question is why this Board is preferable to the other and what advantage is to be gained by that change.

The Chairman:

The Board as proposed by Mr. Graham consists of the Attorney General, Commissioner of the State Land Office, Secretary of State, State Treasurer and the Auditor General. Mr. Scully proposes to amend this by making it four appointive members and the Auditor General. The proposition is whether we shall change those five State offices to four appointive offices and the Auditor General.

Mr. Donovan:

I understood that was carried this forenoon.

The Chairman:

Since dinner we have reconsidered it and the question now is upon the passage of the Scully amendment.

Mr. C. C. Phillips:

It seems to me that a grave question might arise as to whether the Lieutenant Governor is eligible to appointment to any office or any board by this Legislature or by any act passed by this Legislature.

Mr. Shepherd:

I arise to a point of order. That question has been disposed of.

The Chairman:

I think the point of order is well taken; the Lieutenant Governor has been disposed of.

Mr. C. C. Phillips:

Was it in order for the gentleman who preceded me to raise the question?

The Chairman:

He wished to know, as I understood his question, what is the advantage of having the State officers in preference to an appointive board.

Mr. Phillips:

Will it be in order for me to answer that question?

The Chairman:

Certainly.

Mr. C. C. Phillips:

That is what I am doing. And I will proceed, and if I am out of order I can be corrected. Section 18 of the Constitution reads as follows: "No person elected a member of the Legislature shall receive any civil appointment within this State, or to the Senate of the United States, from the Governor, the Governor and Senate, during the time for which he is elected." It seems that the Constitution very thoroughly answers that question, why it would be better to appoint the Attorney General instead of the Lieutenant Governor. I believe that was the question asked by the gentleman from Bay.

The Chairman:

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No, sir, you are out of order. We have disposed of the Lieutenant Governor. He has been stricken out of this bill and the Attorney General substituted in his place. So the board as it now stands is Attorney General, Secretary of State, Auditor General, State Treasurer and the Commissioner of the State Land Office. The Lieutenant Governor is out.

Mr. Sawyer:

I will state for the benefit of my friend from Bay that my position is this: That I do not desire to multiply offices. With the Attorney General at the head of the commission to advise in relation to the law it seems to me we would have a Board that would be perfectly safe and without a multiplicity of officers.

Mr. Donovan:

My principal objection to that change is this: State officers at the present time are acting on different boards, and they are receiving pay from different sources for their services. And I find that they are working together for an appointment now. Now, this may be all right, and all satisfactory; I don't want to charge anybody with corruption. But is not a system like this liable to become a corrupt system and one hard to get rid of? And if we adopt that system here it may lead to trouble and more trouble than we have now. I prefer upon second consideration to have the matter stand as it is now.

Mr. Graham:

I desire to say that this only affects the temporary board; it leaves the permanent board to be elected.

Mr. Donovan:

That is the important board of the whole matter. After the first board I think three members could do the work as well as five. The work will not be hard or laborious, but this first board, its duties will be complicated, and that it one reason why I think it is well to leave it as it is.

Mr. Bemis:

It seems to me the gentleman from Bay stated that the greatest labor would come on this first board, this preliminary board; and it seems to me it would be much more in keeping with our form of government to leave it with men elected by the people rather than men appointed.

Mr. Weier:

I don't understand why at this time there has such a sudden change of heart taken place in the gentleman from Kent. It was only the other day in the committee on Revision of which I have the honor to be a member, when he most strenuously opposed this very system simply because he thought the clerks of the State officers would eventually have control of the assessing, etc. And I cannot understand why it is that this question arises at this time and what sudden change of heart has taken place in the House.

Mr. Graham.

I can explain that, I think. I am heartily in favor of an elective board for the permanent board but in the interest of harmony and to get this matter settled in some way or other, I agreed to this change here for the temporary board. We cannot elect the temporary board, it must be either appointive, or substituting the State officers ex officio.

The Chairman:

The question is on the adoption of Mr. Scully's amendment.

Mr. Adams:

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While I dislike this bill for the reason that it changes the present method of taxation, if it is the will of a majority of the members of this House that we do change the method of taxation of this class of property in the State, then it seems to me the first board to examine and investigate and place a value upon this class of property should be the State officers, practically the present Board of Equalization, those who have had to deal with the tax problem in relation to all other property of the State. The time is short for them to investigate thoroughly enough to place an honest and just value upon this property, and in doing this work, we need to bring to it all the knowledge and all the advantage of past investigation that we possibly can. In addition to that, there is an argument in favor of having the State officers as the temporary board, in that it does not multiply offices; Heaven knows we have enough officers in this State now, enough men to draw stipends from the public treasury. I wish it were possible to cut some of them off instead of adding to them.

I believe the first board should be a board of five, composed of the present State officers, and I care not which ones you select; select any of them that meet with the approval of the House, and then to follow them as a permanent board I favor the Auditor General and two tax commissioners, which would be a body large enough to carry on this machinery. I hope the motion made by my friend from Ionia will not prevail.

Mr. Scully:

I would like to ask a question: Do you believe the State officers can receive, legally, any compensation for this work?

Mr. Adams:

I would not want to pass upon that proposition now.

Mr. Scully:

There is a great deal of work then to be done for nothing.

Mr. Weier:

I would like to ask the gentleman from Kent whether he would be willing to strike out the words "ten dollars per day"?

Mr. Adams:

Yes, sir.

Mr. Weier:

Then, Mr. Chairman, it is satifactory to me, not otherwise.

Mr. Kimmis:

This morning, in the discussion, the chairman of the committee intimated that the members of that committee were not at liberty to introduce amendments, if I understood him correctly, to the action taken by the committee in its entirety. I am very glad if the action of this House can be such that the members of that committee may do so, with due respect to the committee. If it be considered that the action of a committee is really a limitation upon the independence of a member when the measure comes to this House, I will be glad if the action of this House shall be such that the members of such a committee may vote in accordance with their own wishes and do no violence to the obligations resting upon them as committee members. I think there were nearly as many constitutional propositions as there were members of that committee, and we were asked how we could get around the proposition that the State officers should constitute that board. I believe

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I was about the only one to advocate before the committee that the State officers should constitute the board,—I think I was the only one, and I deem it to be an honor to myself if we shall get around to that position.

Mr. Atkinson:

As I stated to the House this morning, my own preference would be for an appointive commission at all times. Next to that my preference would be for an elective commission, such as has been practically decided upon by this House, but I am aware we are dealing with some very sensitive minds in this Legislature. It is just barely possible there are some gentlemen here who would be willing to have taxes equalized but do not like to have the Governor make the appointments for fear possibly he might appoint four men who would strengthen him with the people of this State. Now, he does not require any such strengthening. The people of this State are almost unanimously behind him, and for the sake of harmonizing the sensitive minds of those who are afraid to have the Governor appoint, I shall myself be perfectly willing to have the change made, striking out the Lieutenant Governor and putting in the Attorney General, and to consent to this proposition. I have not consulted with others, I only speak for myself.

The State officers will then make the first assessment, and they run the risk of getting their pay, but it seems they are willing to do the service and want to do it and run that risk. I expressed my views upon that this morning, but if we can pass this bill smoothly through the House and inaugurate this system which is of infinite importance to the people of this State, then so far as the temporary board is concerned, I care nothing about it; I am perfectly willing that the State officers shall make this first assessment, if it is the sense of the House, and to yield my own views of what would be the best in deference to the sentiments of others.

Mr. Peters:

It strikes me as being very queer that about every hour we are reminded of the popularity of our distinguished Governor.

Mr. Atkinson:

It is in the air.

Mr. Peters:

We feel it here all right enough. It seems to me we are not here discussing the popularity, or ought not to be, of the Governor, but as to the bill under discussion. The question with me is whether the people of the State of Michigan should select these people, or whether the Governor should name the men. I am willing to trust the people; I am just as willing to trust the people as my distinguished friend from Wayne, and I do not see why he is continually crying about the Governor's popularity; it is becoming very tiresome. Let us get down and discuss the merits of the bill, and not the merits of the Governor.

Mr. Colvin:

I have not said anything about this bill. Now, so far as appointing these men, I believe in my judgment it would be better to leave it to the Governor. A great many claim there might be something peculiar about that. It has been the talk for the last twenty years that we wanted to create labor for our own people. We would create employment for four men and take the burden of it. If it is labor you want, then that would be a good thing to start in with, that makes more labor.

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For my part I would rather see the Governor do the appointing, and it would help more laboring men to work, and that is what you have been agitating when you have been in power for twenty years. You wanted to take care of the whole of labor.

The Chairman:

Are you ready for the question?

The question being taken, the motion of Mr. Scully to amend the substitute did not prevail.

The Chairman:

The question is upon the substitute of the gentleman from Kent, Mr. Graham. The Clerk will read the substitute.

Mr. Graham:

I move to insert the word "four" in place of the word "two."

The Chair:

If there is no objection, the amendment will be made.

Mr. F. Shepherd:

After the word "advice," I move that "with the consent" be inserted. I believe that is the usual form.

Mr. Graham:

I accept that amendment.

Mr. Alward:

I wish to make an amendment so that the provision will read that it shall be composed of two resident electors, one to hold office for two years, and one for four years, and then one to be elected in each biennial election thereafter, and those two, together with the Auditor General, to compose the final commission.

The amendment was agreed to.

The Chairman:

That makes the board now composed of three members instead of five, the elective board.

The question is upon the adoption of the substitute to section 1 of this bill proposed by the gentleman from Kent (Mr. Graham).

Mr. Donovan:

I have an amendment. I cannot tell where to insert it; I have not got the amendment before me, but the Clerk can put it in the proper place.

The Clerk:

It could be inserted at the end. "The temporary board shall serve without extra compensation."

Mr. Savage:

It seems to me it would not be wise to adopt a provision of this kind. These men will be put to some extra expense in order to make this assessment; they will have to secure probably a great many papers, and probably make some trips over the State in one way and another, and there ought to be some provision made for paying them their actual expenses in any event, whether it is done by increasing their salaries or allowing their expenses. I don't know exactly how to get at it, but I think it should be so worded that there ought to be some way in which they can at least have their expenses taken care of.

Mr. Donovan:

I have no objection whatever to the board having pay for their actual expenses, that is not included in this amendment. It simply strikes out the ten dollars per day. Now, as far as having access to the records

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is concerned, they certainly have that right here in the State building, they have access to all records, and they can get the others, and whatever actual expense there is attending that of course they can present their bills just as is done by other boards. I simply meant the per diem rate of ten dollars per day.

Mr. Fleischhauer:

I certainly hope this amendment will not prevail. There has been a great deal said about the constitutional authority for granting these officers pay, and I think we ought to leave that as it stands. If it is constitutional for them to receive extra compensation, we ought to be willing to give it to them. They do extra work, and the work will be very great, especially for the first assessment, and I feel as though the State officers are now receiving too small compensation and if they can receive it by the constitution, we ought to be willing.

Mr. Alward:

I feel that I will have to vote for this amendment. I think it is patent to every member of this House that we have no authority to vote any pay for the State officers. If it is necessary to amend the amendment so that they can be paid for their traveling and other necessary expenses, in conducting their business that is all right, but I would be unwilling to give them ten dollars a day extra.

Mr. Donovan:

We are assembled here to work for a purpose, a principle, and we do not want to take chances of doing it so the Supreme Court can declare it unconstitutional as soon as we get through, or as soon as the first case is brought. The burden of taxation is becoming very heavy and very hard to bear throughout the State, people's homes are being confiscated and they are looking here for relief. Now, I have not been in the habit of expressing myself in this way very often, I believe I have not done it before, but I think that is what we are here for, and we ought to be careful that we do nothing here that will make the work we are doing, or attempting to do, void. Let us do it so there will be nothing on our part placed in this bill that will make it of no account when we get through, that would be worse than not coming here at all. Since we are here, let us do what we feel is right, and take the fewest chances possible. That is one of my reasons for making this amendment, and the other is, to prevent a building up of a sort of a monopoly of this work here; I prefer to multiply the officers instead of doing that.

Mr. Adams:

I would like to ask the gentleman from Bay if Section 22 is not the proper place for the amendment he proposes, instead of Section one.

Mr. Donovan:

I don't hardly think it is. I thought of that first, but I think now this is the better place for it. This is a different board altogether.

Mr. Adams:

That being the section referring to compensation, I thought that would be the proper place for such an amendment.

Mr. Donovan:

I thought so at first.

Mr. Davis:

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I would like to ask the gentleman from Bay a question. I would like to ask him if he supposes the State officers are going to qualify for this office if it is known they do not expect to get any pay.

Mr. Donovan:

This is a good time for them to know it, and if they are seeking these positions for the pay there is in them, I would sooner they would not get them, I would prefer to give them to somebody else.

Mr. Clute:

It seems to me in appointing as members, these State officers on this board, that we are appointing them to do a large amount of extra duty without any compensation. Now, how are we to expect them to perform this duty unless there is some tacit understanding or some understanding of some kind that they shall do this duty? We say they shall not have any pay, or that the constitution says that they shall not have any pay. Can you set men to work without pay, is there any law that you can set a board of men at work without compensation, without pay? This is what you propose to do with this board. Some gentleman kindly comes up and says, they have volunteered to go at this job and they will take their chances in getting their pay. Suppose tomorrow they should make up their minds they would not take their chances, suppose you pass this resolution that you won't pay them ten dollars per day, that with the constitutional provision together would make it pretty middling tight and about day after tomorrow they would say "We don't want any job of this kind; this is not what we were looking after, we were looking after a job with something in it." What are you going to do? You have got a nice thing, you come up to the Legislature, and you have passed a bill that nobody pays any attention to, what are you going to say? You cannot set men at work without pay. And I want some constitutional lawyer to step up and tell me.

Mr. M. G. Moore:

I rise to a point of order.

The Chair:

The gentleman will state his point of order.

Mr. M. G. Moore:

The law prescribes their duties.

Mr. Clute:

You are a smart legislator, if you can make men do work for nothing. If we had a whole body of legislators like you, we could run the State without a cent of expense. Now, I say this is all wrong, this appointing or attempting to appoint to some duty, officers who are already elected for a particular duty and are paid for that particular duty. These gentlemen are paid for that particular duty, and I say we cannot impose any other duty on them without at the same time making a provision to pay them for that extra duty. If they will do their duty that they have already got to do well, the people of this State will be pleased with them. They are kicking a good many of them now. They think they don't half do what they have to do. Maybe they don't get pay enough. If you put a lot more work on them without any pay they will probably do it better; that is human nature.

Now, gentlemen, I am opposed to this manner of appointing this Board of Assessors, and I shall vote against it.

Mr. Graham:

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It seems to me there is an unnecessary quibbling about this question of compensation and putting more work on these assessors. When those offices were first created, they had very slight duties to perform, indeed, the Legislature has from that time to this been adding to the list of their duties, that is, we made a certain number of them the Board of State Auditors; they get no additional compensation for these services, simply their expenses. Then somebody went at it a few years ago, and made three of these officers a Board of Tax Commissioners for telephone and telegraph companies, and they have acted from that time to this, and I guess they have given it to the corporations pretty good, they are paying three per cent on their assessed valuation, and nobody has found any fault with them. They have done their work, and I don't know whether they get any pay for it or not, and I don't care very much, they take their own chances on this question. It does not invalidate the bill in any sense. If it is not constitutional, they simply cannot get it, and if it is, they can. That is a small matter anyway as compared with the magnitude of this bill we have under consideration. It is simply for one year, it is not of long standing, there can be no monopoly or ring or clique built up by the State officers, because it is only for the present year. I hope we will lay aside any little prejudices we may have in regard to this matter. If we continue in this manner we will never pass any tax bill at all, it is mere quibbling and we ought as a legislature and as men to overlook and forget such small matters.

Mr. Chamberlain:

I do really think after a little consideration of the matter if the time has come that the great State of Michigan is going to impose a lot of duties upon some of its State officers—some of whom now receive the magnificent sum of eight hundred dollars a year—without making any provision for compensation, I think it will be better for the Legislature to make an assignment on behalf of the State and go home.

Mr. Scully:

It seems to me that the gentleman who changed the Board of Assessors, has given away the whole case. Their attention was called to the fact before they reconsidered that motion that the State officials could not receive any compensation for their services, if they were appointed to the Board of Assessors, and now they get up and practically conceded that they will get their pay some way or other, no matter how they get it, and if they do get it, it will be illegal, and that was one of the reasons why I opposed constituting the State officers members of this Board of Assessors. And I believe this amendment should be adopted. Let us call their attention particularly to the fact, that under this statute, if it ever becomes a law, and the provisions of the constitution, if they volunteer to do these services, they may know what the constitution provides; and if they are so awfully willing to do this great amount of labor, let them do it for nothing. I submit this amendment should be adopted.

Mr. Colvin:

They have all they can do now. They can't work without anything. They are working for a small amount of wages now. Even the lawyers in this House wouldn't work for the salaries the State Auditors get. I say it is a shame. The pay is small enough now, and they ought to have twice the pay they get now. If you are a mind to put these new duties

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on them, you ought to pay them. I say let the Governor appoint the commission.

The motion to amend did not then prevail.

Mr. Chamberlain:

I don't care to put in any unnecessary amendments; the distinguished gentleman from Kent has got the section in such shape that it is an exact copy of the bill that I introduced with one exception; he has omitted only one important part, which I offer as an amendment and to which I think there will be no objection.

Mr. Graham:

I accept the amendment.

The Chair:

The question now is upon the adoption of the substitute of the gentleman from Kent to section one. Are you ready for the question.

The substitute for section one was then agreed to.

The Clerk read section two, as follows:

Sec. 2. Said board shall elect a secretary at a salary not to exceed two thousand dollars per annum. The secretary so appointed shall hold his office for the term of two years and shall keep a record of all the proceedings of said board, which record with all other papers or proceedings of said board shall be a part of the records of the Auditor General's office, and of which the Auditor General shall be the lawful custodian. The secretary shall devote all his time to the duties of his office, and when said board is not in session shall perform such duties as may have been assigned him by said board or as he may be directed to perform by the Auditor General.

Mr. C. C. Phillips:

I move to amend section two by striking out in line one the word "two" and inserting the word "one," so it will be one thousand dollars. Now, Mr. Chairman and gentlemen of the committee, if this board does work, for which they are to receive as liberal a compensation as is provided for in the sections to follow, they certainly can afford to do the work, and all they will require will be a secretary, and that secretary will be a clerk and a clerk only. It does not require for a clerkship upon this board any two thousand dollar man. I believe there are hundreds of bright young men in this State who are competent to do the work of secretary or clerk of this board—whichever office you choose to call it, who will be glad to accept the office at a thousand dollars a year. There are lots of clerks working in the departments of this State at present who are working for just that pay, and this person will not be as busy as many of those clerks are, and a thousand dollars, it seems to me, is ample compensation for the work that is necessary for them to do.

Mr. Davis:

I move to amend the amendment by inserting "fifteen hundred dollars" instead of "two thousand dollars."

Mr. Fleischhauer:

I think the rate of fifteen hundred dollars a year is too much. Now, it may seem queer to have this salary criticised by an advocate of labor, but nevertheless, as I represent a farming district, I do not feel any clerk of this commission should receive more a day than what we as farmers earn in a week, and there are plenty of good men that can be had for ten or twelve hundred dollars a year. This is not a job whereby

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a great amount of time will be required, and if it is, it will be altogether ignored in the selection that is made of the secretary. It is simply the man that has the biggest pull in politics that will get this job, and I don't think I ought to vote in the interest of any individual's political nest. We ought to fix his salary large enough for good men, and let that be enough, and I am therefore opposed to raising the salary above $1,200.

The Chairman:

Are you ready for the question. All those in favor of the amendment offered by Mr. Davis will signify it by saying aye; contrary, no.

The motion did not prevail.

Mr. Fleischhauer:

I move to amend the amendment by fixing the sum at twelve hundred dollars.

Mr. C. C. Phillips:

I will accept that amendment.

The Chairman:

The question is upon the amendment offered by Mr. Fleischhauer to the original bill, to insert $1,200 in place of $2,000. Are you ready for the question?

All those in favor of this amendment signify it by saying aye; contrary, no.

The amendment is agreed to.

Mr. Chamberlain: I offer this amendment, Mr. Chairman. Strike out in line 3, the words "for the term of two years," and insert in lieu thereof the words "during the pleasure of said board."

Mr. Chamberlain:

I think upon reflection it will occur to the members of the House that this secretary ought not to be employed for a definite period because if he or his duties might not meet the requirements of the board they might not be able to dispose of him and get a better one.

Mr. Adams:

I see the gentleman from Gogebic has copied from my bill, however, I am glad to find that he has, and I hope his amendment will prevail; it meets my hearty approval.

Mr. Chamberlain:

I think I did not and want to call the attention of my esteemed friend from Kent to section two of House bill 14 introduced by myself.

The Chairman:

You have heard the motion proposed by Mr. Chamberlain. Are you ready for the question?

The amendment was then agreed to.

Section three was then read as follows:

Sec. 3. The members of said board from time to time appointed, and the secretary so elected, shall take and prescribe the constitutional oath of office to be filed with the Secretary of State.

The Chairman:

Is there any amendment to section three?

Mr. Anderson:

I move the word "appointed" should be stricken out and the word "elected" inserted in its place.

Mr. Gillam:

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I don't see the necessity of having in those words at all. I think the section would read all right by leaving out the words "appointed" or "elected," and I move to strike it out.

Mr. Anderson then withdrew his motion.

The Chairman:

You have heard the amendment proposed by Mr. Gillam, so that it shall read "the members of said board and the secretary so elected shall take and prescribe the constitutional oath of office to be filed with the Secretary of State."

The amendment was then agreed to.

The Chairman:

If there is no further amendment to section three it is passed.

The Clerk then read section 4, as follows:

Sec. 4. Said board shall hold its sessions at the office of the Auditor General. It shall have access to all books, papers, documents, statements and accounts on file or of record in any of the departments of State, subject to the rules and regulations of the respective departments relative to the care of the public records. It shall have like access to all books, papers, documents, statements and accounts on file or of record in counties, townships and municipalities. It shall make an assessment roll each year containing a list of all property by it assessed, which assessment roll shall be filed with the Auditor General and be open to inspection like the other files and records in his office. Said board shall have the right to subpœna witnesses upon a subpœna signed by the president of said board, and attested by the secretary thereof, directed to such witnesses, and which subpœna may be served by any person authorized to serve subpœnas from courts of record in this State. The person serving such subpœna shall receive the same compensation now allowed to sheriffs and other officers for serving subpœnas. Said board shall have power to examine witnesses under oath, said oath to be administered by any member of said board or by the secreary thereof. Said board shall have the right to examine books, papers or accounts of any corporation, firm or individual owning property to be assessed by said board; and if any corporation, firm or individual refuse to permit said inspection, or neglect or fail to appear before said board in response to its subpœna, said corporation, firm or individual shall forfeit the sum of five hundred dollars to the State. The sum so forfeited may be recovered in a proper action brought in the name of the People of the State of Michigan in any court of competent jurisdiction.

The Chairman:

Is there any amendment to section four?

Mr. Chamberlain:

I have an amendment to offer to this section. In line 22, I desire to insert after the word subpœna the words "then said board shall assess the property of such corporation firm or individual."

Mr. Chamberlain:

I think it should be provided that in case any corporation, individual or firm shall refuse to answer a subpœna the board will have the right nevertheless to place an assessment just the same as though they had answered it according to their judgment.

Mr. Wetherbee:

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I call the attention of the gentleman to section 15 of this bill which provides for that very thing.

Mr. Chamberlain:

I withdraw the amendment.

The Clerk read section 5, as follows:

Sec. 5. Said board shall meet on the first Monday in September in each year, and between that time and the first Monday in November of each year assess all the property in this State of railroad companies, express companies, telegraph companies and telephone companies now organized or hereafter organized and doing business in this State, under any law of this State or any state or country. Said board may inspect all the property belonging to said companies, for the purpose of arriving at the true cash value thereof, for the purposes of assessment and taxation. Said board may, for the same purpose, take into consideration the reports and returns of said companies on file in the office of any officer in this State, together with such other evidence as it may be able to obtain bearing upon the true cash value of the property of said companies in this State.

The Chairman:

Is there any amendment to Sec. 5? If not, it is passed and is passed.

The Clerk read Section 6, as follows:

Sec. 6. The said board shall determine and enter upon its record aggregate taxes raised in the whole State, for State, county and municipal purposes, not including special assessments on property particularly benefited. All State, county and municipal officers shall make such returns to said board as it shall require upon blanks to be furnished such officers by the Auditor General, so as to enable said board to ascertain with exactness the aggregate taxes as above provided. Said board shall determine the average rate of State, county and municipal taxes throughout the State by dividing the aggregate taxes as ascertained under this section by the equalized value of all property assessed in the State as fixed by the State Board of Equalization at its last meeting. Municipalities within the meaning of this act shall be construed to include school districts as well as cities, villages and other municipalities.

The Chairman:

Is there any amendment to section 6?

Mr. F. Shepard:

I have a substitute for this section. It is section 6, the corresponding section file No. 10, House bill No. 11. I will ask the clerk to read the substitute.

The clerk read the proposed substitute, as follows:

Sec. 6. There shall be levied upon the property of the several companies as assessed by said board in the year 1898 and each subsequent year, a tax of seventy-five cents upon each one hundred dollars of valuation as determined by said Board of Railroad Assessors, and the amount of tax to be paid by each of said companies at the rate aforesaid shall be computed by said board and extended upon said assessment roll opposite the descriptions of the respective properties of the several railroad companies owning property within this State, and the tax so extended shall be paid to the State Treasurer by said companies respectively on or before the first Monday in January following the assessment and levy aforesaid, which tax when so assessed and levied shall be in lieu of all

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other taxes upon the properties of such companies except such real estate as is owned and can be conveyed by such corporations under the laws of this State, and not actually occupied in the exercise of its franchises, and not necessary or in use in the proper operation of its road, but such real estate so excepted shall be liabe to taxation in the same manner, and for the same purposes, and to the same extent, and subject to the same conditions and limitations as to the collection and return of taxes thereon, as is other real estate in the several townships of municipalities within which the same may be situated: Provided further, That the taxes fixed by this or any other law of the State shall not apply to any railway or railroad company hereafter or at the time of taking effect of this act building and operating a line of railroad within this State north of parallel forty-four of latitude until the same has been operated for the full period of ten years, unless the gross earnings shall equal four thousand dollars per mile, except in so far as said lines so built shall extend south of said parallel, but no such company shall be entitled to the immunity from taxation herein provided, when the same is owned or operated by existing companies, until the report of earnings to the Commissioner of Railroads required by the laws of this State, containing the earnings of such lines hereafter built, separate and distinct from the earnings of existing lines shall be made and filed.

Mr. F. Shepard:

This section of the bill as introduced and read provides that these specific taxes shall be levied by a board created by the bill. Now the constitution, Art. 14, Sec. 10, reads as follows: "The State may continue to collect all specific taxes accruing to the treasury under existing laws. The Legislature may provide for the collection of taxes from banking, railroad, plank road and other corporations hereafter created." The gentleman will see that the provision of the constitution I have referred to authorizes the levy and collection of specific taxes.

The bill as presented to us does not seek by its provisions to authorize, i. e., it does not provide that the Legislature shall levy these taxes. The Constitution provides that the Legislature may levy them. It does not provide that it may delegate that authority to a board, or members of the Commission. I find that the question of delegated authority upon several occasions has been passed upon by the Supreme Court. Perhaps there are later decisions, but I have been unable to find them, but the principle I contend for, has been upheld in two cases. The 73rd Michigan, page 520, was a case under the Statute of this State, which attempted to authorize the city council to enlarge its own boundaries. In that case the court says as follows:

Section 7, Art. 10 of the Constitution provides: "Cities shall have such representation in the board of supervisors of the counties in which they are situated as the Legislature may direct."

"The Constitution having invested this authority in the Legislature, it in legal effect prohibited the exercise of such power by any other body. No member of the Legislature in voting to delegate this discretionary power could know the representation upon the board of supervisors the City of Muskegon by its discretionary action would have. The determination of the number is the act of the common council and not of the Legislature, and, if this act is upheld, it is the discretion of the com-

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mon council and not of the Legislature. Where the Constitution has located the authority there it must remain."

To the same effect is the decision in 83 Michigan, page 620, which is a case that went up from St. Clair Circuit, I believe, and in which one of the gentlemen upon the floor here, Mr. Atkinson, was engaged as counsel, wherein one Wellman sued the Grand Trunk Railway Company for fare, which he claimed had been unduly exacted from him. The Railroad defended on the ground that the legislation attempting to fix the fares at two cents a mile was illegal; that the Legislature had no authority to fix that fare that they should have delegated it to a commission to fix the fare, but the Supreme Court says, "That discretion was invested in the Legislature itself to fix the fare, and they had no right to delegate that power to any other board or commission." They say "The constitution of this State, enacted, as before said, before the organization of this defendant corporation, has given the Legislature power to, from time to time, pass laws establishing reasonable maximum rates of charges for railroad transportation, who is to judge of the reasonableness of such legislation, of the rates so fixed? Is it to be decided by the courts not only of each separate act of the Legislature, but also in the case of every railroad company, and also in the case of every person who brings suit for a violation of the law against such company?"

"There is a vast difference between the action and authority of a commission appointed by the Legislature and the action and authority of the Legislature itself, which is the sovereign law-making power of the State. There are many things that a Legislature can do that it cannot delegate to any other body."

It is with this view, Mr. Chairman, of having this bill fixed in such a manner that it will bear the closest scrutiny that I make this motion, I feel that the taxing power is one of the highest, one of the most important and most solemn upon which we can engage; that it has been entrusted to this Legislature and Governor; that it will be entrusted to future Legislatures and future Governors, and that it has not been entrusted to any other power. And with this purpose the Legislature from time to time shall levy and exact such taxes as the exigencies of the State may require, that it can not shuffle off this responsibility, or put it upon any board they shall create.

There are other provisions in this section which may perhaps come up for discussion, and may not; that in regard to the construction of railroads above the 44th degree of latitude and in the upper peninsula, but it is not a matter of a very great moment. There are sections in the upper peninsula that need railroads, and they need assistance just as much as the older and richer portions of the State needed it in times gone by. We don't ask much, we don't ask for it long, but in view of what has been done in times past for the older and richer portions of the State, we do ask that you will grant us this boom and privilege, exemption from taxes for eight or ten years of new roads built north of the 44th parallel.

The Chairman:

I will state for the benefit of the committee that both this section, the original section and substitute are before the committee. If we carry the substitute it will carry the amendment. If there is any amend-

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ment to be made to either section it must be made before we vote upon the substitute. The chair will entertain a motion to amend either the substitute or the original section.

Mr. Atkinson:

I am sorry to say that so far as I am concerned I cannot accept this amendment. This proposition to tax railroad companies at three-quarters of one per cent, while other property in the State bears an average according to our review of three per cent. In other words there are gentlemen upon this floor apparently who are willing to advocate the monstrous doctrine that the ordinary tax payer shall pay three per cent and railroad companies three-quarters of one per cent.

It would be an improvement upon the present rate of taxation in this State because the railroads now pay about one-quarter of one per cent, but that is what we are here to remedy. Are any of us willing to return to our constituents or look in the glass when we go home, and say that we are willing to tax ordinary people at three per cent and the railroad companies of this State at three-quarters of one. So far as the rest of the argument is concerned it is unnecessary to go into it. This proposition itself is the one that now meets us, and it is important to us, this is not an equalizing of taxation; it is simply a committee trying to pass a bill. If there is any reason why a man who has five thousand dollars in railroad stock should not pay the same tax upon that as a man who has five thousand dollars in a little home should, then point it out. There is no more reason why he should pay less tax, than that he should pay less for a suit of clothes or a meal of victuals. The proposition is simply preposterous to my mind and I trust the House will vote that down.

Now, so far as the power to fix this tax is concerned, that has been very carefully considered in framing section 6. The Legislature has fixed the rate of taxation. It has fixed it at the average rate for all people in this State, and this board has no authority to do any more than to apply the average rate to property when the have assessed it. They will first assess it at its true cash value; then they will ascertain the average that is paid by other people, and they will apply the exact rule of equality to it. Three-quarters of one per cent is less than the Michigan Central agreed to pay in 1846, when everybody was anxious to get railroads, and was ready to give away anything that a railroad required in order to secure it; but we are not in the condition they were in 1846. Even at that time they made them pay more than three-quarters of one per cent. The proposition would realize to the State about one-half of what would be realized under the old charter. It would be a step backward in this direction, and I am almost astonished that any such proposition should be made to us.

Then there is in this amendment also a proposition to entirely exempt certain railroads from taxation; to repeat the blunder of 1891,—to call it by the mildest possible name that you can give it; to exempt these railroads from taxation, these railroads built north of the 44th parallel of latitude, or north of Alpena; I think that is the division line. There are railroads now in this State on which the owners are getting seven per cent dividend which pay no taxes whatever to the State. The Channing division of the Chicago, Milwaukee & St. Paul, running forty-seven miles into our State, pays absolutely nothing, and on that the stockholders receive seven per cent dividends every year, and every unfortu-

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nate citizen of Michigan who has to ride on the road is compelled to pay four cents per mile. What are we thinking of? Exempting property from taxation? The burden may fall upon somebody else. The Governor has well said to us in his message that exempting one person from taxation is robbing another who has to pay his share of the taxes. That is the whole principle of this bill. I admit that it covers railroad taxes as they are now because they only pay about one-quarter of one per cent under the rules that have been adopted by previous Legislatures. But I am not satisfied with having to pay any less than other people. I don't want them to pay anything more, but I want them to pay exactly what everybody else pays on the value of their property, and I trust this amendment will be voted down.

Mr. Bemis:

Mr. Chairman, this substitute brings up a phase of the question that I desire a few words concerning, inasmuch as I believe this may be designated a specific tax, and, sir, I have introduced in this House at this session a specific tax bill. While this substitute differs quite materially from that, yet, sir, I fear that that bill may never see the light of day on the floor of this House and I wish to say something on the question of specific taxes in connection with this substitute.

Now, sir, it seems to me that specific taxes, or any other kind of taxes are after all, to a great extent specific; that is, upon the earning power of the property. We know, all of us, that properties costing exactly similar amounts, are not always taxed alike. Their earning capacities differ; their locations are not equal in value because of the earning value in one location being superior to that of another. Now, sir, it may be a little presumptious on my part to say anything upon this subject this afternoon, inasmuch as we have been told on the floor of this House by a distinguished member of this House that "we look somewhat with suspicion on any resolution, any remark that may come from," and, to use the gentleman's own words in the Journal, "of resolutions that come from those who partook in the conference with the Collector of Customs the other night at Buzzard's Roost down here upon Grand river." Now, sir, it seems to me that to apply such a name as this to a body of men—I suppose this is based upon newspaper reports—so I will say to apply such a name as this to a body of men composed of our distinguished ex-Governor, and I suppose members of this House, sir, the gentleman would have been as warranted in speaking of the executive office where he and the distinguished Attorney General, and members of the Senate, and other distinguished gentlemen of this State occasionally meet to discuss matters; and, sir, I say it would have been as warranted for him to call that a saloon or a dive.

Now, Mr. Chairman, speaking of buzzards, I suppose that it must have been meant by the gentleman, buzzards active and alive on that occasion. If there had not been anything left but the roost, certainly he would not have referred to them as a company being controlled by the Collector of Customs.

Now, sir, the buzzard has peculiar characteristics. That bird, sir, is, I believe, not only supposed, but known to be in the habit of congregating where there are supplies in keeping with its tastes. No, sir, I don't like to suppose that when the gentleman referred to these men in discussing—

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Mr. Eikhoff:

Mr. Chairman, I rise to a point of order. I do not believe in dissecting buzzards or anything else. I think we are discussing this bill.

The Chairman:

The gentleman may proceed. I don't know where the point is, but we will get to it after a while.

Mr. Bemis:

Mr. Chairman, it is an abuse of the members who are considering the bills before this House, or the other very prominent feature of the House that is discussed so often—the Governor of the State and his possibilities in the future—I do not mean to suppose, I would not so accuse the distinguished gentleman of speaking of this bill particularly as carrion upon which buzzards feed; neither would I wish to understand him as referring to the Executive of our great State.

Now, sir, we know that the gentleman looks with suspicion upon those members, sir, seriously. I think that perhaps there are members of this House who are somewhat suspicious, probably, who have unfortunately opposed every resolution, bill, or any measure introduced by members of this House not directly in the line of all of the provisions of this bill. Especially may this be true with the member referred to, that no less a person than our distinguished ex-Governor Rich in his retiring message of last winter referred to specific taxes in this language, I refer to page 135 of the House Journal: "It seems to me that the present system of taxing railroads and the present manner of disposing of the funds derived therefrom is more equitable and has more to recommend it generally than any system yet advanced. In making these statements I am not discussing the questions as to whether railroads pay too much or too little taxes, but only to urge that whenever taxes are levied and collected the present system of assessment and disposition of taxes is the most equitable and desirable for all concerned."

Now, sir, on the question of specific taxes eminent authorities seem to differ. I have before me the message of our distinguished Governor in which the point of his call for this extraordinary session is contained, in which he says: "It is the duty of the Legislature to provide a uniform rule of taxation." Mr. Chairman, that was taken from section 11, as quoted, and had the distinguished gentleman used just six words more, sir, in that section, the quotation would have read as follows: "The Legislature has provided a uniform rule of taxation except on property paying specific taxes." And further section 12 is quoted with regard to assessing property on its cash value. Sir, let me read section 13, which I understand is explanatory of section 12. If I am wrong I wish to be corrected. "The Legislature shall provide for an equalization by a State board in the year one thousand eight hundred and fifty-one and every fifth year thereafter, of assessments on all taxable property except that paying suecific taxes." From the very section of the same article, article fourteen provides for and establishes specific taxes. Section 10 of the same article, "The State may continue to collect all specific taxes accruing to the treasurer under present existing laws. The Legislature may provide for the collection of specific taxes from banking, railroad, plank road and other corporations hereafter created."

Now, sir, it seems to me if there is any fundamental principle in the Constitution of the State of Michigan it is specific taxes. Sir, perhaps I

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misunderstood the message of our distinguished Governor, but the first thing that struck me in that call was that in the mind of its author, specific taxes were unconstitutional. Sir, I hope that no such impression went throughout the State of Michigan because of that call, because I do not believe that any member of this House who has studied this question or the question of the constitution could say otherwise. If such an impression did go through the State in consequence of that call, it was a false impression.

Now, sir, whatever the difference may be between me and my friend from Wayne, I believe as he does that the rate mentioned in the substitute is not sufficient for the occasion. And if it is in order, sir, I would move an amendment to the substitute fixing the rate instead of three-quarters of one per cent to three per cent.

The Chairman:

The question before the House is upon the question of changing the rate from three-quarters of one per cent to three per cent. Are you ready for the question?

Mr. Fleischhauer:

Mr. Chairman, I am not in favor of the amendment, as well as the substitute. We have been called here to establish uniform or equal taxation and whether we pass this substitute at three quarters of one per cent or whether we pass it at three per cent we have no guarantee that it is uniform or it is equal with any other taxation, but I think that the original section, just as it reads in the bill, is the only way that we can go home to our constituents and say that we have done our best in order to bring about equal taxation. We do not transmit the power of raising taxes to anybody else; we have simply given them the clerical work to figure out what that tax is and we have named it a State board—that it should be the same as the average amount of all taxes and we have explicitly stated it just as the constitution prescribes we shall do, and I see no reason why the constitution should be urged in order to have this substitute instead of the orignal section. I sincerely hope that the amendment as well as the substitute will be voted down.

The Chairman:

The question is on the amendment offered by Mr. Bemis.

Mr. Fuller:

Will you state the amendment please?

The Chairman:

Line three, as I understand it, the substitute—proposed substitute—assesses a tax of seventy-five cents upon each one hundred dollars. The proposition is to change that to three dollars upon each one hundred dollars.

Mr. Atkinson:

I would like to ask the proposer of the last amendment a question, if he would be kind enough to answer it.

The Chairman:

Do you dare to answer the question, Mr. Bemis?

Mr. Bemis:

If I can.

Mr. Atkinson:

Are you in favor of taxing railroads three per cent on their actual value?

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Mr. Bemis:

I will say that the rate of three per cent was decided upon in the amendment after a statement of your own.

Mr. Atkinson:

Do you really favor your own amendment?

Mr. Bemis:

I will say, Mr. Atkinson, that I don't favor as high a rate as that, but I have not been—yet been able in this House to get as high a rate as I have favored, and I certainly favor one very much higher than the bill, a compromise might be what I desire.

Mr. Atkinson:

Do you really favor this amendment?

Mr. Bemis:

I would say, Mr. Atkinson, that I did not favor as high a rate as that, but I have put it upon the feeling in this House.

Mr. F. Shepherd:

I do not suppose it is necessary to say anything on this proposed measure. I merely wish to say that this substitute was offered in good faith, as I believe this bill was drawn and presented to us. If it does not provide that this levy will be made by a commission, but provides it shall be levied and assessed by chance, it might just as well prove that the same rate shall be levied in Michigan as levied in Ohio, no matter what the circumstances of the State, may be, no matter what the needs of the State may be. The bill as presented provides that the same rate shall be levied upon the roads as levied by the average rate of taxation of the State. I submit that nobody unless it is this commission provided by the bill, nobody exercises a discrimination in regard to the levying of those taxes unless it is that commission. That discrimination should be separately. My point is that this—the constitution vests the discrimination in the Legislature in regard to the rate. I am not strenuous, but the amendment as proposed, to my notion, and I think in the judgment of every member of this House, is altogether out of proportion. Of course, the average rate of taxation in this State is more than three-quarters of one per cent, as it has been explained time and again upon this floor—the assessment of the State on the average being away below the actual value. I believe, and you believe, Mr. Chairman, that this commission will appraise the railroad property up to its actual value, and it has struck me, that three-quarters of one per cent upon the actual value of the railroads, would be practically on the level of what the average asessment now is upon the property of the State as assessed. If any gentlemen of this House believes that three-quarters of one per cent is not sufficient I would be glad to have them make—offer an amendment as they think would be about the right figure, but three per cent is certainly out of all proportion.

The Chairman:

The question is on the amendment offered by the gentleman from Montcalm.

Mr. Colvin:

In regard to property being taxed at the actual cash value; if any gentlemen wants to take my farm, 500 acres, at the assessed valuation and pay me the money, you can have it. If you believe you are not assessed enough, we will whoop you up some. The idea of three-quarters of one

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per cent tax on the railroad companies. It is outrageous to talk any such thing. I will take all my property, everything except my personal property, but a very small portion of it, but my real estate, and I will take what the assessment roll calls for and take the money, so I say to you, gentlemen, when you come to go through the country and see any farms assessed what? By what standard of value? It is not what they are assessed at, it is what amount of cash can you get for the farm, what amount of cash will you get for your houses and lots. Your money has increased in value, but your property is lower than it was the day you assessed it, and so give the railroads their share in the taxation, as well as the farms.

Mr. Chamberlain:

I would like to ask a question of the gentleman from Montcalm, if he has no objection?

The Chairman:

The gentleman from Gogebic would like to ask you a question, Mr. Bemis; do you desire to answer it?

Mr. Bemis:

If I can.

Mr. Chamberlain:

For my own information, Mr. Chairman, I would like to ask the gentleman in case his amendment is adopted and the bill becomes a law, what would be the revenue derived to the State under the provisions of the act?

Mr. Bemis:

I cannot tell.

Mr. Chamberlain:

Have you made any figures looking towards an estimate?

Mr. Bemis:

No, sir.

By Mr. Clute:

I desire to ask Representative Shepherd a question, if he will answer it.

Mr. F. Shepherd:

If I can.

Mr. Clute:

It is this: You say that the railroads would be assessed at their actual cash value where other property is not? Now, suppose there is a railroad in your part of the country that would cost as much to build as the Michigan Central, for instance, and that railroad, the earnings were $3,000 a mile, and $8,000 a mile, would you assess it, if you were the assessor, would you assess the same, the actual value of the buildings as they are, or would you assess it alike?

Mr. Shepherd:

I presume that would be assessed as we assess saw mills. There are saw mills in this State that cost thousands of dollars, old mills that are not stocked. Some saw mills are stocked—well stocked and some that are only half stocked; some are stocked for the season, and some are stocked to run a half a season, and some haven't any stock. They are assessed not at their true cash value, value of the property, but the property is assessed on its earning value, or somewhere near. It is exactly the same with railroads in my opinion. The railroad company will be assessed primarily upon what it is able to earn.

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Mr. Clute:

Why not fix the rate the same as other property? Why not fix it the same as you fix the rate on other property? Why would you put a specific tax on that, when your farm is assessed for what it is worth?

Mr. Shepherd:

I offer my substitute in this manner because the bill provides it shall be assessed at its value, not at its cost. It doesn't say anything about assessing at its value.

Mr. Bemis:

Mr. Chairman, there doesn't seem to be any unit of opinion with regard to the amount of tax that should be raised under the rate as proposed under this bill as introduced. Now, as I have already said, in answer to the question, the rate as substituted by myself in this amendment, in this substitute, is somewhat higher than I would personally recommend, and I would have no hope whatever of getting as much as that, but would hope to get about what I really desired.

Now, it could not differ, I am certain, materially from the rate of taxes, the taxes would not be more. Now, I would like to ask the gentleman from Gogebic his opinion as to the amount of taxes that would be raised under the rate in the bill?

Mr. Chamberlain:

On the spur of the moment, without investigating as to the actual fact, it would be impossible to answer the question. I desire to state, however, in answer to the gentleman, that taking the railroad companies alone, if they were assessed upon their proportion of capital stock in Michigan, which is $157,000,000 and upon their proportion of their bonded indebtedness which is $182,000,000 making a total indebtedness of $333,000,000, at one per cent would be $3,333,000.

Mr. Smith moved to amend section 6, by inserting the following from House bill No. 2, and which was read by the clerk:

Sec. 6. Said board shall determine the rate of taxes to be levied and collected upon said assessments, which rate shall be determined by them in the following manner: They shall ascertain the sum of all taxes for State, county, municipal and local purposes levied throughout the State and the sum of all specific taxes paid during the previous year, not including special assessments for improvements assessed upon properties benefited, made in counties, cities, villages or townships, which shall be ascertained by said board from the files and records in the Auditor General's office and from the tax rolls of the cities, villages, and townships; and it shall be the duty of any county treasurer upon application of said board therefor, to obtain from the files and records of his office or from the treasurer or other proper officer of the city, village or township described in said application, a certified statement without delay, of all taxes assessed upon the tax rolls of the said cities, townships or villages, together with a statement of the total assessed valuation of both real and personal property in said cities, villages and townships. And it shall be the duty of the said treasurer or other proper officer to furnish such information to the county treasurer as may become necessary under the provisions of this act, which statement when received shall be laid before said board. The said board shall determine and fix the cash value of all property assessable under the general tax law throughout the State. They shall determine said cash value of such property by the same prin-

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ciples, data, rigid inspection and enquiry used by them in finding and fixing the cash value of property to be assessed by them. For which purpose said board may inspect any or all property in the State, and if they shall find any property inspected by them on any assessment roll, they may compare said assessed valuation with their own valuation of said parcel or parcels of property and from such number of comparisons, as they may deem essential, they shall determine and fix an amount, as a cash value of all property of the State liable to assessment under the general tax law, from which value as so determined there shall be no appeal, and which value shall stand unquestioned as the true and exact cash value when compared with the values fixed by them on property to be assessed under the terms of this bill. Then the rate of taxation to be used by said board shall be such a percentage of the total cash value as determined by them of all property in the State, liable to assessment under the general tax law and this bill, as would produce an amount of taxes equal to the sum of all taxes assessed the year previous as aforesaid.

Mr. Smith:

Commencing after the second line of the substitute I offer an amendment (after "subsequent years"). In getting at the amount of taxes to be assessed, the bill seems to take all the taxes that were assessed the year previous, excluding the liquor tax. I have one change in line 19, in regard to the board fixing the equalization of the property which they assess, that property which is assessable under the general tax law. In file 16 the principle is that this board make the property of the State at the value fixed by the State Board of Equalization, which at present is $1,105,000,000. Then they add that to whatever value they fix as the value of the railroads in the State, given in the books at $303,000,000, then add those two together then the percentage of those that produce the taxes is what file No. 16 proposes to do. It would require about one and one-half per cent, about one and eight-tenths per cent I think, or one and seven-tenths, leaving the railroads to pay about $5,000,000. Now, of course, it would be fair to say that that was not the exact amount; that this Board of Railroad Assessors may lower the cash value of the railroads below that which was returned by the companies themselves. Suppose they do lower it to $150,000,000, about one-half what has been returned by the companies, then there would be less for the railroads to pay. Under such an arrangement, under such a valuation the railroads would have to pay two and one-fourth to two and one-half million dollars—about two and one-half millions, I think. Now, this is all arbitrary and it necessitates the whittling of cash values of railroads by this board that we are establishing until it shall have such a correspondence with the $1,105,000,000 that would produce the amount of taxes that that board thinks the railroads ought to pay. Now, my bill is offered with the hope of changing that so that this board that we are establishing can estimate the railroads at their true cash value. It will require no whittling. They can take the oath that they will value them justly and according to their just ideas of what the value ought to be, and they can live up to it, and there will be no incentive for them to whittle either up nor down.

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But instead of taking $1,105,000,000 they are empowered to take all of the tax rolls in the State and compare the values of property which they may inspect with the values they find upon the assessment rolls. Not only that, but they may make inquiries as to what property is not assessed. We hear it stated every day that the cities are full of personal property that is not upon the tax rolls. Now, I would empower this board to look up all that personal property and include it in their estimate of the cash value of all the property which is assessable under the general tax law. So you see when they have established that value and compared it with their own cash value of railroads, they can make an exact and equal percentage which they should follow in taxing the companies under their charge. There is no other method that I have thought of that will let this board act according to their oaths of office and arrive at the exact percentage which property should pay. In fixing this we should have some regard for the practical workings of the law which we are framing, and to that end I offer this as a solution of most of the difficulties arising.

Mr. Atkinson:

There is only a little difference between section 6 of the bill under discussion and the substitute offered by the gentleman from Houghton. In arriving at the average rate of taxation in this State under the bill that we are discussing, we arrive at it by taking the entire taxes, as shown by the official records throughout the State, and dividing that by the equalized valuation of other property, and the proposition of the gentleman from Houghton is to add to that divisor which contains the entire value of the railroad property and increase the divisor by whatever the railroad property may be, so as to reduce the average at which the railroads may be taxed. The proposition is so nearly being fair—it is only about 25 per cent from equality—that I do not wish to criticise it very severely. But it seems to me it would be better for us to be entirely fair than even three-fourths fair and to treat that property precisely as we do the other property. Now, the first board of assessors under this act, as we have decided this afternoon, will include an equalization board that fixes the value on our property and we may naturally expect that they will exercise the same judgment as to railroad property that they have exercised with the other property of the State. And if they do that, then they will reach exact justice under the bill we are considering, and they would reach less than exact justice if they acted under the bill as proposed by the gentleman from Houghton. The railroad companies would not be paying the average rate of taxation if assessed under the substitute as offered by the gentleman from Houghton. They would be paying a little less—probably 25 per cent less—which is enough to distinguish them, just enough to make them think that they belong to a little better class of citizens than ordinary taxpayers, and would be a consolation to their pride, possibly, to make this slight concession to their superiority. Still I can see no reason for making it, not until I am satisfied that there is something about the property of a railroad that makes him a little better than any other human being, I am not willing to accept any other rule for him than the one that is prescribed for me.

Now, the difference is not so great, as I have stated. Mr. Smith's proposition is far more reasonable than the other ones we have had here.

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Still, why make any distinction? Why not let us treat everbody alike? Why not let us have absolute equality as between taxpayers, nobody then can complain, nobody will be hurt, nobody will be injured, and no one will pay more than his share. I voted against the proposition of the gentleman from Montcalm because I did not think the average rate in this State would come up to 3 per cent. I thought it would be an unjust proposition toward the railroads, but I shall have to vote against this substitute because I think it is intended to make the railroads pay a little less than other people pay, while they ought to pay exactly the same rate.

Mr. Smith.

I am a little upset by this statement. My idea is that the difference between the gentleman and myself is a difference of understanding one another. I believe that my proposition leaves them equal. There is some difficulty in the first assessment, in fact my proposition, I think would assess railroads a little more than his because I have included the specific taxes paid the year previous about a million dollars which he does not, as I read the bill. So that if the whole taxes of a year are divided by all the property in the State I cannot see why the percentage is not equal on all the property. That is all the proposition there is in my bill, simply to make the percentage the same for all property, railroad or any other property.

Mr. Atkinson:

Will the gentleman from Houghton allow me to ask him a question? Do you intend to increase or lessen the taxes of railroads as they would be fixed by the bill we are considering?

Mr. Smith:

Well, that could not be answered exactly. That would depend upon what the board of assessors would do upon railroad property. If they took into account the fact that the board of equalization fixed on $1,105,000,000 as the value of all property assessable under the general tax law—if they took into account that that was too small and for that reason reduced railroads and such property to an amount, which they knew to be too small they might even up and make it just as fair as I propose to do in my bill; but to do that they would have to stretch their consciences and under my bill they would not have to; they could put railroads in at their true cash value and make an estimate of the other property. As to the constitutional question that has been raised, that we cannot delegate the authority of fixing the rates, that is a matter I have provided for in the bill. The Legislature fix the rate, and this board would have nothing to do with the rate. We fix it for them when we pass the bill.

The Chairman:

The question is on the amendment of Mr. Smith, are you ready for the question?

The motion to amend did not prevail.

The Chairman:

Are there any further amendments to these two sections? Six of the original bill and the substitute offered by Mr. Shepherd? If not the question is on the adoption of the substitute offered by Mr. Shepherd, which strikes out section 6 of the original bill and substitutes this in place of it.

Mr. Smith:

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Is not the question on the adoption of my amendment?

The Chairman:

Your amendment was lost. The question is upon the adoption of the substitute offered by Mr. Shepherd; as many as are in favor of the substitute will signify by saying aye.

The motion to adopt the substitute did not prevail.

Section 7 of the bill was read by the Clerk as follows:

Sec. 7. Said board shall tax the property of the several companies as assessed by it, at the average rate of taxation as determined by it, and the amount of tax to be paid by each of said companies shall be extended upon said assessment roll opposite the descriptions of their respective properties, and the tax so extended shall be paid to the State Treasurer by said companies respectively on or before the first Monday in January following the assessment and levy aforesaid, which tax when so assessed and levied shall be in lieu of all other taxes for State and local purposes, not including special assessments on property particularly benefited made in any county, city, village or township. The taxes so extended against said companies shall constitute a lien upon all the property of said companies, real, personal and mixed from the time of the extension of said taxes until the payment thereof, which lien may be enforced by the State like other liens in any court of competent jurisdiction.

The Chairman:

Are there any amendments to section 7?

Mr. Adams:

I would like to ask if I am correct, that the average rate, as appears from the records in the Auditor General's office is 2-8-10 per cent upon general property? You stated that three per cent is assessed by the State telephone and telegraph board upon that property. I think those figures are right; if I am not correct I would like to be corrected and if we may expect that about that rate under the present conditions would be the rate provided for in this bill.

The Chairman:

Can any member give the information desired?

Mt. Atkinson:

The average rate as reported this year or the average rate at which the board of review—which by the way the gentleman from Houghton this morning said did not exists—upon telephone and telegraph companies this year has been assessed three per cent. That is the average rate as reported to the Executive by the board. My impression is that the three per cent was reached by the State officers upon a somewhat erroneous basis, so I do not myself believe that the taxes amount to three per cent on an average in this State, although they may come very near it.

Mr. Adams:

I would like to ask the gentleman from Wayne what in his judgment is the average rate of taxation in this State upon all property for general purposes.

Mr. Atkinson:

I am unable to fix the amount. The official rate as fixed by the board is three per cent.

Mr. Adams:

Does that apply to all property?

Mr. Atkinson:

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That applies to all property assessed. I will call your attention to 1239 of Howell's Statutes. Now, the State officers the State Treasurer and I believe the Commissioner of the Land Office and the Auditor General constitute this board of review. They have fixed the rate for this year at three per cent. They have fixed it for several years, which table is given in the message at page 18. In 1886 it was fixed at 2 1-4; in 1887 2 15-100; in 1889 at 2 16-100; in 1891 at 2 28-100; in 1893 at 2 3-10; in 1894 2 6-10; in 1895 at 2 8-10; which you will see by referring to the Auditor General's report, page 73.

Mr. Adams:

What is the assessed value of these properties upon which this rate of three per cent is fixed?

Mr. Atkinson:

The fixed value is $1,105,000,000, as I understand it as fixed by the State Board of Equalization; and the value as fixed by the Boards of Supervisors at about $818,000,000.

Mr. Adams:

That is on all property?

Mr. Atkinson:

Yes, sir, of every kind.

Mr. Adams:

What is the total amount of capital stock paid in, funded and unfunded, on these corporate properties upon which this board fixes this rate of three per cent?

Mr. Atkinson:

That I am unable to state. I have before me the report of the Grand Rapids & Indiana Railway Company, which states the amount paid in on its capital stock as $5,569,700. But Mr. O'Brien, counsel for the company, when he appeared before the committees the other day said he paid 2 1-2 per cent for $4,000 of stock the rest paid nothing. Their sworn returns show they paid five million.

Mr. Adams:

I will ask the gentleman if he can tell me the actual amount of taxes collected in the State for general purposes during the past year.

Mr. Atkinson:

I am not able to give you the aggregate.

Sections 8, 9, 10, 11, 12 and 13, were read by the clerk, as follows:

Sec. 8. Any person or persons, joint stock company or corporation owning and operating a railroad in this State, or owning and operating a union railroad station and depot in this State, whether under special charter or the general railroad law or the act to authorize the incorporation of union railroad stations and depots, or any other act of this State or any other state or country, shall be deemed a railroad company within the meaning of this act.

Sec. 9. Any person or persons, joint stock association or corporation, wherever organized or incorporated or wherever residing engaged in the business of conveying to, from or through the State, or any part thereof, money, packages, gold, silver, plate or other articles by express, not including the ordinary lines of transportation of merchandise and property in this State, shall be deemed an express company within the meaning of this act.

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Sec. 10. Any person or persons, joint stock association or corporation, wherever organized or incorporated or wherever residing, engaged in the business of transmitting to, from, through or in this State, telegraphic messages, shall be deemed a telegraph company within the meaning of this act.

Sec. 11. Any person or persons, joint stock association or corporation, wherever organized or incorporated or wherever residing, engaged in the business of transmitting to, from or through this State, telephonic messages, shall be deemed a telephone company within the meaning of this act.

Sec. 12. Every railroad, express, telegraph and telephone company defined in the preceding sections, doing business in this State, shall annually, between the first and thirty-first days of May in each year, under the oath of such person or persons, or under the oath of the president, secretary, treasurer, superintendent or chief officer of such association or corporation, make and file with the Auditor General for the use of said board, in such form as the Auditor General may prescribe, a statement containing the following facts:

First, The name of the company;

Second, The nature of the company, whether a person or persons, an association or corporation, and under the laws of what state or country organized;

Third, The location of its principal office;

Fourth, The name and postoffice address of the president, secretary, auditor, treasurer and superintendent or general manager;

Fifth, The name and postoffice address of the chief officer or managing agent of the company in Michigan;

Sixth, The number of shares of the capital stock;

Seventh, The par value and market value, or if there be no market value, the actual value of the shares of stock on the first day of May;

Eighth, A detailed statement of the real estate owned by the company in Michigan, where situated and the value thereof as assessed, if it is assessed for taxation under any other law;

Ninth, A full and correct inventory of the personal property including moneys and credits owned by the company, in Michigan, on the first day of May, where situate and the value thereof;

Tenth, The total value of the real estate owned by the company, situate outside of Michigan;

Eleventh, The total value of the personal property of the company and situate outside of Michigan;

Twelfth, In case of railroad, telegraph and telephone companies, the whole length of their lines and the length of so much of their lines as is without and as is within Michigan, which lines shall include what said railroad, tlegraph and telephone companies control and use as owners, lessees, or otherwise;

Thirteenth, A statement of the entire gross receipts of the company, from whatever source derived, for the year ending the first day of May, from business wherever done;

Fourteenth, A statement of the gross receipts for the year ending the first day of May, from whatever source derived, and of each office within this State, and the total gross receipts of the company for such period in this State;

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Fifteenth, In case of express companies, the whole length of the lines of rail and water routes over which the company did business on the first day of May, and the length of so much of said lines of land and water transportation as is without and is within this State, naming the lines within this State;

Sixteenth, Such other facts and information as said board may require, in the form of the returns prescribed by the Auditor General. Blanks for making the above statement shall be furnished to such companies on application to the secretary of said board: Provided, however, That the reports hereby provided for shall not in any way relieve any of said companies from making the reports now required to be made to other State officers: And provided further, That the report herein required to be made for the year 1898 shall be made on or before the first day of September, 1898.

Sec. 13. The franchises of companies assessed under this act shall be considered property and said board shall assess the franchises in connection with the other property of all railroad companies owning or operating railroads in this State at their true cash value. And in case any of said railroad companies own or operate railroads partly within and partly without this State, said board shall, for the purpose of taxation only, assess said company for the fair proportion which its franchise in connection with the property in this State bears to its entire franchise and property.

No amendments were offered to the above sections.

Section 14 was read.

Sec. 14. Said board shall ascertain and assess the value of all property of express companies, telegraph and telephone companies doing business in this State at its true cash value. And in determining the property of said companies in this State, to be taxed within the State and assessed as herein provided, said board shall be guided by the value of said property as determined by the entire capital stock of said companies, and such other evidence as will enable said board to arrive at the true cash value of the entire property of said companies within this State, in the proportion which the same bears to the entire property of said company, as determined by the value of the capital stock thereof and such other evidence.

The Chairman:

Are there any amendments to section 14?

Mr. Gillam:

It seems to me that section 14 is not complete and I move to add at the end of the section the words "as may be secured" so it will read "such other evidence as may be secured."

Mr. Atkinson:

I think if the gentleman will read the whole section he will see back in line six that the value is to be determined by the entire capital stock of such companies and such other evidence as will enable said board to arrive at a true cash value of the entire properties of said companies within this State, in the proportion which the same bears to the entire property of said company, as determined by the value of the capital stock thereof and such other evidence, referring back to lines five and six, so it is quite complete.

Mr. Gillam:

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I will withdraw the amendment.

The Clerk read sections 15, 16, 17, 18 and 19, as follows:

Sec. 15. In case any company fails or refuses to make the statement required by this act, or to furnish any information requested, the board shall inform itself as best it may on the matters necessary to be known in order to discharge its duties with respect to the assessment of the property of said company.

Sec. 16. At any time after the meeting of said board in September, as above provided, and before the final assessment of the property of any such company is determined, any company or person interested shall have the right, on written application, to appear before said board and be heard as to the valuation of the property of said company, and said board may, on such application or on its own motion, correct the assessment or valuation of the property of any such company or person in such manner as will in its judgment make the valuation thereof just and equal.

Sec. 17. In case any company required to file a statement under the provisions of this act fails to make and file such statement on or before the thirty-first day of May, or in the year 1898 on or before the first day of September, such company shall be subject to a penalty of five hundred dollars and an additional penalty of one hundred dollars for each day's omission after the day prescribed for the making of such report, to file such statement, such penalty to be paid to the State and to be recovered in an action in the name of the People of the State of Michigan in any court of competent jurisdiction.

Sec. 18. Said board shall not include in its assessment against said companies any property already assessed upon its value for taxation under any other law of this State.

Sec. 19. All taxes collected under this act shall be applied in paying the interest on the primary school, university and other educational funds, and the interest and principal of the State debt, in the order recited, until the extinguishment of the State debt, other than the accounts due to educational funds, when such taxes shall be added to and constitute a part of the primary school interest fund, and such taxes as are collected under the provisions of this act shall be treated and disbursed as specific taxes are now treated and disbursed.

The Chairman:

Are there any amendments to section 19?

Mr. C. C. Phillips:

I move to insert in line 7 after the word "as" the word "other." I desire to have this committee go on record as considering this tax a specific tax, so that if some time in the future the question comes up the weight of opinion of this committee may be that this is a specific tax. I do this because from all the information I can gain, and I have asked several prominent lawyers, the question as to what constitutes a specific tax, and it is very indefinite. Perhaps if the question gets into court at any time as to whether this was or was not a specific tax, the court will give some weight to the intention of this Legislature when it passed the act.

The Chairman:

The question is on the motion made by Mr. Phillips.

Mr. Atkinson:

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I agree with Mr. Phillips. I think the insertion of that word will perhaps more clearly show the intent of the Legislature.

The Chairman:

You have heard the amendment proposed by Mr. Phillips, are you ready for the question?

Mr. Donovan:

I did not understand the amendment here.

The Chairman:

The Clerk will read it.

The Clerk:

The amendment is to insert in line 7 before the word "specific" the word "other."

The motion to amend prevailed.

The Clerk read sections 20, 21 and 22 as follows:

Sec. 20. It shall be the duty of said board to make and prepare an assessment roll setting forth the valuation and assessment and the taxes assessed upon all property to be assessed and taxed under the provisions of this act, and to file the same with the Auditor General of the State on or before the tenth day of December in each and every year. And it shall be the duty of the Auditor General to notify the persons or corporations so assessed to pay the taxes assessed against them respectively to the Treasurer of the State of Michigan on or before the first Monday of January next succeeding the date of said notice.

Sec. 21. If said corporation shall neglect or refuse to pay such tax on or before February 1, it shall be deemed to have forfeited all its corporate rights and privileges, and the Attorney General upon the request of the State Treasurer shall commence suit in any court of competent jurisdiction to collect the tax by foreclosing the lien upon the real estate or corporate interests assessed, and to have a forfeiture of said corporate rights and privileges declared and enforced.

Sec. 22. The members of said board under this act, shall receive in addition to their necessary expenses in the performance of their duties, ten dollars each per day for the time actually spent in performing the duties prescribed by this act, to be allowed by the Board of Auditors and paid by the State Treasurer out of the general fund.

The Chairman:

Are there any amendments to section 22?

Mr. Alward moved as a substitute for section 22: That the two elected members of said board should receive, in addition to their necessary expenses in the performance of their duties, ten dollars each per day for the time spent in performing such duties, to be audited and allowed by the Board of State Auditors and paid out of the general fund, and providing that they should receive pay for not exceeding thirty days in any one year.

Mr. Fleischhauer:

I move to amend this substitute by striking out the word "ten" and inserting "five" in lieu thereof.

The Chairman:

You have heard the motion to strike out the word "ten" and insert the word "five" are you ready for the question?

Mr. Alward:

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Now, I have limited the number of days that this board may receive pay. I have been more liberal than the people of Indiana have been with a like board. They allowed their board to receive pay for 20 days and I have made this for 30 days. I do not believe any competent man would want to take hold of this matter and receive pay but for 30 days for less than ten dollars a day. I hope the amendment will prevail.

Mr. M. G. Moore:

Section 5 of the act provides that they may be in session for two months. What is the idea of limiting the amount of pay for 30 days?

Mr. Alward:

It does not follow that they would stay in session all the time. They would receive pay for traveling expenses back and forth. In my judgment it is necessary to define some length of time when this board may charge this State ten dollars a day and I have said 30 days.

Mr. Fleischhauer:

I will withdraw my amendment and substitute to the original section 22 by striking out in line 2 the word "ten" and inserting in lieu thereof the word "five."

The Chairman:

Mr. Fleischhauer offers an amendment to the original section by striking out the word "ten" and inserting the word "five."

Mr. Peters:

I move that the section be amended by inserting the words "seven dollars and a half."

The Chairman:

The Chair will not entertain that motion at the present time.

Mr. Fleischhauer:

The reason I make this amendment is because a salary of ten dollars a day and actual or all expenses is a pretty large salary. It is really more than four times, or about four times as much as we get here; and I doubt whether they are any better than a great many of the members of this Legislature. We have distinguished men here, for instance, whose services are well worth in their own offices five dollars, and yet no doubt he spends some money to be elected, and he is here working for the nominal sum of three dollars per day and paying his own expenses. And I do not see why we, working for this paltry amount should vote out of the State Treasury to give the members of a commission each ten dollars a day over and above their expenses.

Mr. Anderson:

If the abilities of the gentleman who has been nominated or would be nominated for this place were of the same character as certain members of the Legislature, I should think about two dollars and a half would be a proper price for it. Now I am not in favor of cutting this price down one bit. I believe that men competent to do this work would be worth, and would be entitled to ten dollars a day if they do it properly. I am not one of those who are in favor of cheap help. I am a sort of a labor unionist myself—keeping up prices.

The Chairman:

The question is on the amendment of Mr. Fleischhauer.

Mt. Atkinson:

Mr. Chairman, I realy hope that the gentlemen making both of these motions may, on reflection, withdraw them. In the preparation of this

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bill and in the consultations with the different members of the committee, we could see no way in which this commission could fairly do its work without beginning about the 1st of September and continuing practically in session until the first of November. That would be sixty days. The bill provides for a hearing for every one who is going to be assessed under this bill. Their taxes will be a considerable amount—it is quite a large amount against each of them. Now they all desire to appear before this commission, as they appeared before our committees, and make their argument and show the exact value of their property. It is a great deal more important that we should be absolutely fair to these people than that we should save a few days in the time of the commissioners; so that this commission should give the people an opportunity to be heard and hear them fully and deliberately, and then after they complete their assessment or preliminary work on the first of November, they are required to have their assessment rolls compared and completed by the tenth of December; then their work ceases for that year. Now I do not believe that the commission should be hampered as to time between the first of September and the tenth of December. I think it would be a very mistaken economy to try to cut them down in the time they would be required to do that work, and I hope my friend, Fleischhauer, who is coming into our profession in a little while, will realize that men when they become eminent may earn as high as fifteen dollars a day, will consider that these gentlemen in ordinary avocations in life, men high enough to get it—to be appointed—that these commissioners would not work for less than ten dollars a day, the price is not extravagant, and it is not much more than fair if it is equal fairness. On that board we will have the Attorney General, the legal representative of the State, working for ten dollars a day, if he gets it. He runs some risk of not getting it, on account of the constitutional provision. A man that is high enough to be Secretary of State—three commissioners, all occupying important positions in life—because they ought to be men of weight and character; and I do not think we ought to be particularly penurious in this matter. It is true that they would get more pay than we do, but we do not get as much as we ought to get. I trust the section will be left as it is. It is not an extravagant provision and I think the gentlemen who make these motions, if they will consider them, will withdraw them.

Mr. C. C. Phillips:

I want to be fair but conservative in this matter; and if I understand the condition of the question at this time, another amendment would not be in order.

The Chairman:

No, another amendment would not be in order at the present time.

Mr. Phillips:

That is what I supposed. I was going to make, therefore, this suggestion: That I was willing, for myself, to make this compromise: If you will strike out the words "shall receive in addition to their necessary expenses in the performance of their duties, giving them ten dollars a day," and leaving them to pay their own expenses as we pay ours, or you make it five dollars a day and we pay their expenses. I think we would be better off if we would pay them ten dollars a day and let them pay their own expenses. That is the arrangement I should favor and I will offer that amendment if the opportunity occurs.

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The Chairman:

The question is upon the motion of Mr. Fleischhauer.

Mr. Bemis:

It seems to me that there is another class—particularly the people of this State who have petitioned this Legislature with sixty-five or seventy thousand names. Now those same people, sir, expressed themselves in no uncertain way upon the salary of the Attorney General not a great while ago. They have expressed themselves upon other occasions in a similar manner, and I think that ten dollars a day would not only be too high in their opinion, but even five dollars would.

Mr. Fleischhauer:

Now, Mr. Chairman, I do not like the amendment of Mr. Phillips.

The Chairman:

There is no amendment by Mr. Phillips; the only amendment before the House is your amendment.

Mr. Fleischhauer:

Then I will just say in reply, Colonel, I am a little superstitious, and I want to make this price so low that there will be no attempt by any attorney to seek the place, because I think they are always a little tricky.

Mr. Atkinson:

I can see now why he is going into the profession.

Mr. Peters:

I desire to ask the Colonel, the author of this bill, what we are to understand by necessary expenses in this section. If you will kindly explain that to me, maybe I will withdraw my objections.

The Chairman:

The question before the House is upon Mr. Fleischhauer's amendment.

Mr. Peters:

You grant me the floor, and I trust you will allow Colonel Atkinson to answer that question. I ask for information, and I would like to ask Colonel Atkinson if he cares to answer it.

Mr. Atkinson:

What is it you are inquiring about?

Mr. Peters:

These necessary expenses in the bill; I want to know what we are to understand by necessary expenses.

Mr. Atkinson:

I suppose their necessary expenses would be their railroad fare, if they had to travel—their actual railroad fare—what they actually paid, and their board while they were away from their homes. I would not include Appollinaris water, if that is what the gentleman wants to know; because I think a man may live upon the water of the country.

Mr. Peters:

Nor five cent cigars?

Mr. Atkinson:

No, nor five cent cigars; but necessary expenses. I think it quite important, because I do not think that these commissioners ought to be put in a position where they would be tempted to travel for less than the ordinary fare. I think the State had better pay them their expenses—not mileage, but their actual expenses. Not ten cents a mile as we get, but what they actually pay for fares if they have to go and inspect property or anything of that kind.

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Mr. Savage:

Mr. Chairman, I am inclined to think with the gentleman from Detroit, as already said, that we should not insert Appollinaris water, and I do not think the commissioners would either; and I am a little afraid, if my friend Fleischhauer's amendment should prevail, that the commissioners might be forced to ride on passes. I think that should be avoided. I think if they cannot earn ten dollars a day in the service of the State in that position, they certainly should be discharged and somebody else put in their place that would earn it.

The Chairman:

The question is upon Mr. Fleischhauer's amendment.

Mr. Phillips:

I would like to ask Mr. Atkinson if he has any idea of passing the bill without any limitation of the time in which this commission may operate.

Mr. Atkinson:

I consider that this bill fixes a limit. They are to meet on the first Monday in September, and their entire work is completed for that year on the tenth of December, and then they have no other meeting until the first day of September following.

Mr. Fleischhauer:

Mr. Chairman, in reply to the gentleman from Saginaw, I would say that this bill provides in one of the sections following that no railroad company or express company, or any other kind of a company that is affected by this act, is allowed to give any pass or grant any favor of any kind to any member of this board; so that we need not give them an exorbitant salary, so as to enable them not to enter into corruption, by accepting passes. We are here to equalize railroad taxation. Let us make this salary so that it will not be scrambled for by professionals, but let us give some farmer a chance to get on this board.

Mr. Fuller:

Do I understand that we have to reduce the salary from five to ten dollars a day?

The Chairman:

The only amendment is on Mr. Fleischhauer's amendment to strike out the word "ten" and substitute the word "five."

Mr. Fuller:

If we are going to pass this bill let us do it fairly. Now they are entitled to that. You have already reduced the salary of the secretary from two thousand dollars down to twelve hundred, and I believe that these commissioners or board of assessors should receive ten dollars a day and not be overpaid. Let us stop splitting hairs and stop wasting time. If we are going to pass this bill let us do it right. I am opposed to the amendment.

Mr. M. G. Moore:

Mr. Chairman, it seems to me that most of the members of the House have gone on the supposition—they want to be on the side of economy. Now, I myself am generally on the side of economy, but on this section I am not. It seems to me that these members—that we have got to look further ahead than this year. We have got to look for material for another year. While the material is provided for this year, it is not for other years. If you are aware—it seems to me I heard parties say the other day that this was the cheapest Legislature ever seen in Lansing.

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It seems to me, in passing this bill, you are seeking to secure a great deal but you are not willing to pay anything for it. Now it is not possible for this board to be in session over one hundred days. At ten dollars a day, that would not be more than one thousand dollars. Now, if this one thousand dollars is too much, you better tear up the bills and not do anything about it. It seems to me foolish to reduce this salary. I think it is cheap enough. I do not feel that that resolution ought to prevail. The very utmost that it would be, it would not be over one thousand dollars apiece, and I do not think that is outrageous. Those are my sentiments without taking any more time in discussing it.

Mr. Davis:

I see by the provisions of this section that the board will be the auditing board and pay their expenses. Is not that a little unusual? It seems to me that ought to be corrected in some manner.

Mr. Gillam:

Do I understand that the proposed Board of State Auditors does not comprise all the officers included in this board of equalization? There are three other State officers; consequently the compensation of the members of this board would be passed upon by an independent board.

The Chairman:

I will state, for information, that the Board of Auditors consists of three members who are not members of this State Board of Assessors.

Mr. Wetherbee:

In reply to Mr. Davis, I wish to say that this board which will audit its own accounts—is only the temporary board, and that the real board is an elective board, which comes later on, of two members. I want to suggest in this matter of salary that I am very sorry to see the House occupying the time in quibbling so long over so small a matter. I would not speak upon this subject if I did not hope that the gentlemen might consider this matter better than they have considered it so far. I would make this simple suggestion: We have already reduced this board from five members to three, thus saving twenty dollars a day at the rate fixed in the bill, and it seems to me that ought to satisfy the gentlemen who are seeking economy so strenuously, and let us be generous in this matter. I do not think it is real economy to be penurious, in attempting to do anything of this kind. We want good men to do this work—we want men who feel that they are not, perhaps being bountifully, but who are being reasonably paid. They may be willing to do this thing for the honor connected with it, to some extent, but they will not feel called upon to give up their business at great loss or sacrifice, unless there is some little return for it. Let us stop this.

Mr. Fleischhauer:

If you will allow me, I will withdraw my amendment.

Mr. Sawyer:

I call your attention, gentlemen, to line four of this section. It occurs to me we had better amend that by adding "audited and" after the words "to be" so that it will read "to be audited and allowed by the board." To insert in line four, section twenty-two before the word "allowed," the words "audited and."

The motion to amend prevailed.

Mr. C. C. Phillips:

I have an amendment that I desire to offer.

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The clerk read the amendment, as follows: Strike out of lines one and two of section 22 the words, "in addition to their necessary expenses in the performance of their duties."

Mr. C. C. Phillips:

Now, gentlemen, we have practically decided to leave the per diem at ten dollars, which I think is all right, providing they pay their own expenses. I believe, as I said before that we will get this work done more cheaply by giving them ten dollars per day and allowing them to pay their own expenses, than we will if we make the per diem five dollars and pay the expenses of the board; at least we will have this advantage, we will know before hand what we are to pay for the work. Some of you will remember that we had a little experience with another board last winter in looking over their accounts, the fish commissioners, who had no salary and were evidently trying to recoup themselves for the lack of salary by bringing in expense bills here of from five to seven dollars per day for hotel expenses, and a proportionate amount for traveling expenses.

Now, my opinion is, from my observation of the expense accounts with which I have had to do here in my work as a member of this House, that it will be economy on our part to allow them this ten dollars per day and make them pay their own expenses. I believe this will be a very ample allowance, for there are several boards in this State, State boards, who are allowed nothing except their expenses and whose duties, while not perhaps requiring so many day's work as are required here in succession, are perhaps as arduous while they last and require as much ability as will be required to perform the duties of this board, and these are my reasons for offering this amendment.

Mr. Gillam:

It seems to me this is an unimportant matter to quibble over, a matter of expense. If you will refer to section 5 you will find the board is authorized to inspect all the properties belonging to such companies, and if that means anything, it means that they are to go to any part of the State and to inspect any of the properties of the railroad companies of this State, and that being the case, they would necessarily incur a great deal of extra expense, and I think, Mr. Chairman, we should allow them ten dollars a day and their necessary expenses. It is a very important matter, this matter of determining the valuation of the railroad property and the corporate property of the State of Michigan. If we intend to delegate to this board the authority to determine at what rate to tax the railroad properties, and certain other corporate property, it is a very important matter, and I say it is worth ten dollars per day and expenses, and a great deal more than ten dollars a day if this matter should be definitely and finally settled.

Mr. Fleischhauer:

I withdrew my amendment making it five dollars a day, because I was convinced by the arguments that it was the best thing to do, and I am certainly not in favor of striking out those words.

This commission is, as has been said, expected to travel all over this State, and we all know that it takes but very little travel to amount to ten dollars a day. If there is any distance to go it may consume that entire fare alone, say nothing of hotel bills and other expenses. I don't think we want to tie the hands of this committee, and prevent them from

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going wherever they ought to go in order that they may look up every imaginable property that may exist anywhere, and so they may be enabled to be thorough in their work. I hope this amendment will not prevail.

Mr. Peters:

I hope also this amendment will not prevail. As I understand it, every other member of every board in the State has so much per diem and also their traveling expenses, and I see no reason why this important board, with the amount of work they will have to perform and the possibility of traveling over the State,—while, as I understand, it is not necessary that they shall travel, yet it would be best for this body to treat this board in such manner that they may not be deemed paupers of the State of Michigan. As I said before, I see no reason why this board should be singled out as the one which shall not have its expenses paid. And I therefore hope the amendment will not prevail.

Mr. Colvin:

I would like to ask if they are prohibited from taking free passes. I don't know that a free pass would be any more dangerous in their hands than it would be in the hands of the legislators who make the laws.

Mr. Bemis:

I believe the members of the State telegraph and telephone boards get three dollars a day and their expenses, and I do not understand that their duties are of a different nature or less important so far as they go, than the duties of this board. It seems to me there is a chance for comparison.

Mr. C. C. Phillips:

I am, after listening to the arguments against my motion, more than ever convinced it ought to be passed. I have not a very high opinion of this bill, I will agree to that, and yet I am perfectly honest and sincere in my attempts to amend it in the hope of making it a better bill than I believe it to be at present. And the gentlemen who are arguing that these men should be allowed their expenses aside from the ten dollars a day, are arguing it on the proposition that the expenses will be even more than five dollars. Now, if that is true, if the necessary expenses of this board are to be so extravagant, I believe that it is more than ever necessary that we shall make it as small as possible. If you leave them to pay their own expenses, I am satisfied they will be much less than five dollars a day, even if they have to pay out something for traveling fare.

I hope, when this bill does pass, if it shall ever pass, and I expect it to —that it will be passed in such a way that the people of the State of Michigan may have something left out of the addition which is expected to be made to the taxes on the railroad and the other companies, I hope it will not be all swallowed up by high-priced officials receiving ten dollars per day and expenses.

The Chairman:

Are you ready for the question?

The motion to amend did not then prevail.

The Chairman:

Are there any further amendments to the substitute and to this section?

Mr. Weier:

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I have an amendment to section 22, to add to the end thereof the words: "No member of said board shall accept any pass, frank or other favor from any railroad, telegraph or telephone company."

Mr. Peters:

I understand section 27 of the bill covers that.

The Chairman:

The question is upon the amendment offered by Mr. Weier.

Mr. Fuller:

I would like to amend that amendment by striking out: "The members of this board" and substituting "the gentleman from Monroe."

The Chairman:

That would be out of order.

The motion to amend then did not prevail.

The Chairman:

Are there any further amendments to the substitute to this section?

Mr. Alward:

I wish to offer an amendment to the substitute, where it says "thirty days" I wish to amend it so as to read "sixty days."

The Chairman:

If there is no objection the amendment will be made, it being Mr. Alward's own substitute.

Mr. Alward:

Gentlemen of the House, you will recognize that this substitute does not apply to the first board. It applies to the board that is elected after the first year. The great amount of work comes in the first year, and surely the work will not be as extensive afterwards, and I should be very much pleased to see the substitute adopted. It does not apply to the first board, but it applies to the members elected at the biennial election in 1898 and to their successors.

The Chairman:

Is there any further amendment to the substitute? If not the question is on its adoption.

Mr. Bemis:

I call for a re-reading of the substitute.

The Clerk then read the substitute.

Mr. Atkinson:

I hope this limitation on the time will not be made. From the first meeting of this board until they finally complete their assessment roll is longer than sixty days. Now, you necessitate their adjourning, you make them hurry in their hearings, and you do not give them a chance to do this work right. This is exceedingly important work, and if the men are fit to be trusted at all, they ought to be trusted to take all the time that is necessary within the period from the first of September to the tenth day of December to do their work. It is a mistaken economy to cut down their time. They will have to give these hearings, they will have to do their work deliberately and do it well. And we want it done carefully and prudently.

Mr. Fleischhauer:

I would like to ask the author of this substitute whether he provides in there for the expenses of the Auditor General.

Mr. Atkinson:

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Yes, sir, we do.

Mr. Fleischhauer:

I mean in the substitute.

Mr. Atkinson:

I have not introduced any substitute.

The Chairman:

The question is on the substitute proposed by Mr. Alward.

Mr. Alward:

I say, gentlemen of the House, that is one of the reasons why I introduced this substitute. The Auditor General is already receiving a salary of three thousand or thirty-five hundred dollars a year. I believe that any man can live on that. Here is a report of one session of one year's work of the commission in Indiana; it fills this entire book, and that commission is limited to twenty days, in which the main work is to be done; it comprises a review and equalization of the entire property of the State. People go before them on appeal from the lower board and they hear that appeal, and the work is limited in the most laborious year to twenty days. I do not believe we need to pay the Auditor General ten dollars a day when he is getting three thousand dollars a year.

Mr. Fleischhauer:

While I am not opposing the per diem of the Auditor General, I am very much opposed to taking away his expenses. The Legislature has fixed his salary and no doubt that salary is ample, and I do not believe we have any right at this time to say he shall out of that salary pay his traveling expenses, that he may incur in traveling about the State in order to reach a correct assessment.

Mr. Peters:

The amendment, I believe, offered by Mr. Alward, limits the board to a sixty days' session. This Legislature, when convened in extraordinary session, is limited to twenty days, and they can do whatever they are called upon to do in twenty days, it seems to me that sixty days is long enough for these people to meet and fix up the assessment and adjourn and go home. If we can perform this great good to the State in twenty days, surely they can perform it in sixty days, and therefore I trust the amendment offered by Mr. Alward will prevail.

Mr. Clute:

I want to call the attention of the gentleman to the fact that when your constitution was adopted this State was pretty nearly all woods, and we didn't have as high winds as we have now.

The Chairman:

The question is on striking out section 22 and inserting in lieu thereof this substitute.

Mr. Kelly:

I hope this substitute will not prevail. We are spending a great deal of valuable time discussing very small matters in this bill. It does not seem to occur to us—or at least to some of us, that this bill proposes to change the entire system of taxation in the State of Michigan with reference to certain properties. Now, the idea that, after establishing a commission under this bill whose duty it shall be to go over all this vast property, to say to them they shall do that work in a specified time, and that they shall not have compensation for their services beyond ten dollars per day. It seems to me to be folly, and if the law is as he states

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it, in the state of Indiana, for that very reason I hope it will not be so in the State of Michigan.

I think the position taken by the gentleman from Wayne is a good one. If this commission is to perform valuable work and give good service to the State, and we have got to trust them to do that work, we certainly ought to go a little further and trust them in the matter of the expense incurred in carrying out that work.

It seems to me we are spending a lot of valuable time in the discussion of this matter, when we ought to be considering the bill. The time is short, and we are wasting time that ought to be devoted to the consideration of this bill and not fooled away upon a mere question of expenses for railroad fare and the time it would take to consider these questions that will be before them. I hope that the good sense of the House will prevail and settle these questions and settle them quickly so we can get at the main question.

Mr. Adams:

I hope there will be no change in the section as it was originally drafted. As has been well said this is an important matter, and it should command the best possible talent within our State. The work should be carefully done and not hurried. It should be well done. And in reply to the gentleman from Ottawa who says that the board in Indiana is in session only twenty days, I desire to call his attention to the section where it provides that they shall meet on the first Monday of July of each year and remain in session not exceeding twenty days; they shall reconvene on the first Monday succeeding such first session, for the purpose of hearing appeals or applications for revision of assessments, and they shall remain in that session not to exceed twenty days. That they shall reconvene again on the first Tuesday succeeding the expiration of the twenty days, and remain in session not exceeding ten days. In addition to this the commissioners there are required to visit every county of the State at least once in each year, and Commissioner Walker takes the northern half of the state and visits every railroad and makes notes of new buildings put up by the railroad company, visits every county in the state, and Commissioner Buskirk takes the southern half of the state and does the same thing. Every county is visited at some time once at least. The property is inspected and every mill and railroad is looked over. And if new buildings are put up, note is made of it and so much more added to the assessment roll. In that state the commissioners receive $2,000 per year, payable quarterly. I do not think we ought to be parsimonious in this matter or penurious. Our Governor cannot be charged with being a penurious "little cuss" and neither can the author of the bill, especially when he is working for the State. I hope this House will not change this section. I believe it is right as it stands. Let these men be decently paid.

Mr. Kimmis:

I am not in favor of limiting this board on the time it shall serve the State in any way. And I understand by the remarks of the introducer of the bill, by the terms of the bill they will be restricted, and can only work between the time of the first Monday in September and the first Monday in November. Now, if that is correct, does the bill mean that, and shall their work for the State end between those dates. I am not

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in favor of limiting them in that way, and if the bill means that, let us have it changed. I ask, gentlemen, for information simply.

Mr. Atkinson:

That would be my understanding of it; the annual meeting is on the first of September and they complete their work by the 10th of December.

Mr. Kimmis:

The gentleman says that he understands they can only serve the State between the first Monday in September and the first Monday in November of each year, but it seems to me we get that information in the fifth section of the bill. If you will read in the middle of the fifth section it says "said board may inspect all the property and buildings of such company"—and do all of this within that sixty days, listen to all these delegations of officers that may wish to come before them. I do not think they can do that. If the bill means that, it seems to me it ought to be changed. It says "The said board may inspect all the property, buildings of such companies for the purpose of arriving at" etc.—but it does not say when. It is my impression that the terms of it allows them all the time they wish, and they may serve the State any time they choose during the year, and receive their compensation accordingly. If that is so, it is all right. I do not think they can do the work in sixty days.

Mr. Chamberlain:

I am very much opposed to restricting them to any certain time. There is a great amount of facts which they have to gather, and examinations which they have to make and testimony which they have to hear and witnesses which they have to examine, and it will take a great deal of time to make these investigations. They must collect these statistics, they must procure the evidence necessary upon which to base a fair and equitable assessment, and that cannot be done in sixty days or probably twice that time. Now, it strikes me that is as false economy as this Legislature can possibly adopt, for the reason that, if you curtail or limit the time that this commission is to act, (and people are not generally given nowadays to work very much except they are paid for it, unless it is in the Legislature) if you limit the time to sixty days and the pay to sixty days, the commission would make an effort to crowd all the business that would appear before them into that time, and the result is, by that process of false economy you would lose perhaps not only thousands but tens of thousands of dollars. That should be left to the wise discretion of the commission itself, and I do not believe that any person who will be appointed upon that commission or who would serve upon it will serve one single day for the purpose of drawing pay, they will not be that kind of men. If you make this mistake, you are going to force this commission to crowd all their work into sixty days, and perhaps one-half or two-thirds of the matters to which they should give their attention will receive no attention at all and the State loses the benefit of it and the Legislature if it enacts that section will be blamed.

The substitute was then not agreed to.

The Clerk read the remaining sections of the bill, as follows:

Sec. 23. Said board shall attach to the assessment roll herein provided for a certificate to be signed by the members of said board, or the majority of said members who have taken part in the assessment of the property of said companies in the following form:

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We do hereby certify that we have set down in the above assessment roll all the property of all the railroad companies, express companies, telegraph companies and telephone companies liable to be taxed in this State, according to our best information, and that we have estimated the same at what we believe to be the true cash value thereof, and that we have taxed the same at the average rate of taxes for State, municipal and local purposes levied throughout the State during the present year, not including special assessments for improvements assessed against the properties benefited in counties, cities, villages or townships.

Sec. 24. The words "cash value" wherever used in this act shall be held to mean the usual selling price at the place where the property to which the term is applied shall be at the time of assessment, being the price which could be obtained at private sale and not at forced or auction sale.

Sec. 25. Whenever property is sold for taxes under this act, and such property is incapable of division, it may be sold as an entirety, and if there is a surplus arising from the sale of such property the same shall be turned over to the person or corporation against whom the taxes for which it is sold shall have been assessed. And if said surplus is claimed by any other person or corporation than the person or corporation for whose tax such property is sold, and such claim shall be contested, either of the contestants may prosecute an action against the other as for money had and received, and in such action the right of the parties to such surplus shall be determined. All the money arising from such sale, less the fees of the officer making such sale, shall in the first instance be paid to the State Treasurer and upon presentation to such treasurer of a certified copy of the final judgment rendered in such action he shall pay over such surplus to the party recovering such judgment.

Sec. 26. If said board shall wilfully assess any property at more or less than what the members taking part in making such assessment believe to be its true cash value, the members voting in favor of such assessment shall be guilty of a misdemeanor and, on conviction thereof, shall be punished by imprisonment in the county jail not exceeding one year, or by a fine not exceeding five thousand dollars each.

Sec. 27. If any person or corporation whose property is subject to assessment under this act shall directly or indirectly promise, offer or give to any members of said board during his term of office, or to any other person at his request, any gratuity of any kind whatever, such person or corporation shall forfeit to the State the sum of ten thousand dollars for every such offense, to be recovered in an action in the name of the People of the State of Michigan in any court of competent jurisdiction. And the recovery of such sum under this act shall not constitute a bar to any prosecution of the person or corporation so offending under the criminal laws of this State.

Sec. 28. Section 33 of act No. 42, of the laws of 1846, as amended by act No. 179 of the laws of 1893; and section 31 of act No. 113 of the laws of 1846, and the amendments thereto, and all acts or parts of acts, whether contained in special acts under which any of the companies whose property is to be assessed under this act, shall have been incorporated, or in the general railroad law and the amendments thereto, or in the act for the incorporation of union railroad stations and depot companies, or in any other law of this State, so far as such acts or parts of

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acts are inconsistent with this act, and no further, are hereby repealed: Provided, however, That all rights which the State has now under any of said acts for taxes or penalties, shall not be in any way affected by this act, and this act shall not constitute a bar against any prosecution or recovery on account of such taxes or penalties.

Sec. 29. If any company affected by this act shall have been incorporated under and special act, any part of which is repealed by this act, shall conceive that it has been damaged, and is entitled to damages on account of the change made by this act, said company may bring an action in any court of competent jurisdiction in this State to have its damages assessed, and if adjudged to be entitled to damages shall have a judgment therefor against the State, to be paid like any other adjudicated claims against the State; but this act shall not be taken as a declaration or admission that any such company is entitled to damage by reason of the changes made by this act.

The sections were severally passed.

The Chairman:

Are there any amendments to the body of the bill?

Mr. Crippen:

I have an amendment to section 6. Insert in line 9, after the word "by," the words "an aggregate sum to be determined by adding to the total value of all property assessed under this act." I think the object of this bill is to equalize the taxes which are necessary to be raised throughout the State upon all the property of the State, and it seems to me in doing this we should follow the same plan which is followed in assessing township taxes. That is, first determine all the taxes that are necessary to be raised in the township and then get the rate upon any particular piece of property by dividing the entire tax for any particular purpose by the entire property in the township.

Now, this amendment seeks to provide that the rate of taxation on the railroad companies shall be determined by dividing the entire tax assessment of the State for that purpose, except for special benefits, by all the property in the State, and determine the amount of property in the State by adding to the aggregate value of the property of these corporations as determined under the provisions of this act, the aggregate value of all the other property in the State, as determined by the State Board of Equalization. I think that is all that I care to say about that.

Mr. Atkinson:

I would state to the House that I have examined this amendment with some care. It is in the same line as the substitute offered by Mr. Smith, but is more clearly expressed, and I believe the amendment ought to be made to the bill to produce more absolute fairness than would be done without it, so I hope it will be accepted by the House.

The motion to amend then prevailed.

Mr. Sawyer:

I desire to amend section 21.

Mr. Crippin:

If the gentleman from Washtenaw will permit me, there are two other slight amendments to the same section that I would like to make. At the end of line 2, section 6, I wish to insert the words "for the current year." Now, in line 1, section 6, it seems to me the word "the" should go between

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the word "record" and "aggregate." And also in line 9, section 6, the same words, "for the current year" after the word "taxes." These amendments explain themselves. It simply fixes the year that the taxes are to be taken for.

Mr. Phillips:

I desire to ask the gentleman, if the average in townships and counties would be available at the time this board holds it annual meeting?

Mr. Crippin:

I think boards assemble in November, if I remember, and the taxes are determined on the second Monday in October, or at the October meeting of the board of supervisors; the county taxes and the township taxes must be determined prior to the meeting of the supervisors on the second Monday of October. I will say, however, that my first idea was to make it for the taxes of the previous year, as the entire tax of the State from year to year does not vary largely. I think they vary in localities, but the average throughout the State appears to be about the same year after year, but I think the taxes for the current year can be determined before the board makes its assessment in December.

Mr. Gillam:

I think this board would be facilitated in its work by using the average for the preceding year; it says the board shall meet on the first Monday in September of each year and between that time and the first Monday in November of each year, and the supervisors meet the first Monday in October or the second Monday and that means a little over two weeks for the returns from the assessors to come in, and the townships and counties to be returned to this commission. I think the time is not sufficient and I think we should take the average levy of taxes for the previous year.

Mr. Atkinson:

This bill was originally drafted with the idea of making it the previous year or taking the previous year instead of the current year, but the rate might differ, so that in every year we have the property assessed here, putting a different rate on their property, and it was thought better to make it the current year to make them all substantially the same rate.

Now, there is no difficulty at all in acting on the information which should be in by the first of November, and that will leave some leeway. We don't require them to complete their assessment really until the 10th of December, so that it gives all that time to complete their assessment roll. They make their assessment before the first of November, and they can extend the taxes at any time before th 10th day of December, and by that time all taxes levied all over the State can be easily ascertained.

Mr. Gillam:

Section five is very plain. It says, "Said board shall meet on the first Monday in September in each year and between that time and the first Monday in November of each year assess all the property in this State of railroad companies, etc." As far as I can see the board has no discretion in the matter.

Mr. Atkinson:

There is a difference between the assessment roll and the tax roll. They are required to assess the property and then come and complete their roll with the tax extended by the 10th of December; they go on and

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value it before the first of November; then they have the rest of the time as far as it may be needed to extend their taxes and complete their assessment roll.

The motion to amend then prevailed.

Mr. Sawyer:

I move to amend section 21 by striking out of lines three and four the words "State Treasurer" and inserting in lieu thereof the word Governor," for I think that the latter should bring suit, and I move to insert after the word "suit," in line four the words "or proceeding;" for the reason that it may be found that a mandamus is necessary instead of a suit, or some other form of legal proceeding.

Which motion prevailed.

Mr. Perry:

I move to strike out of line 9, section 23, the word "taxed" and insert in lieu thereof the words "assessed the taxes on."

Which motion prevailed.

Mr. Adams:

I desire now to make a motion to strike out all after the enacting clause. I do this at this time in the most kindly spirit. As I have said before, I do not agree with the bill. I believe the present method of taxation is the best possible method that can possibly be devised. I do this at this time rather than to go to the third reading of the bill, and then defeat the bill. If it is the will of the majority of the members here that this change in method is the thing to do, then I will bow to the will of the majority.

Mr. Philips:

I move that the committee do now arise, report progress and ask leave to sit again.

Mr. Kelly:

Is this motion debatable?

The Chairman:

No, sir, it is not debatable.

The motion then prevailed.

The Speaker called the House to order.

The committee of the whole have had under consideration the following bill:

House bill No. 1 (file No. 16), entitled

A bill to provide for the assessment and levy of taxes upon the property of railroad companies, express companies, telegraph companies and telephone companies and the collection thereof, and the appointment of a State Board of Assessors to make such assessments and levy, and defining the duties of such board, and the compensation of its members, and to repeal section 33 of act number 42 of the laws of 1846, as amended by act number 179 of the laws of 1893, and section 31 of act number 113 of the laws of 1846, and the amendments thereto, and all other acts or parts of acts whether contained in special acts under which any of the companies whose property is to be assessed under this act shall have been incorporated or under the general railroad law and the amendments thereto, or in the act for the incorporation of union railroad stations and depot grounds, or in any other law of this State so far as such acts or parts of acts are inconsistent with this act and no further;

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But not having gone through therewith, have directed their chairman to report that fact to the House and ask leave to sit again.

Henry K. Gustin,
Chairman.

Report accepted and committee discharged.

On motion of Mr. Gustin,

Leave was granted to the committee to sit again for the consideration of the bill.

The Speaker announced the following:

SENATE CHAMBER,
Lansing, March 31, 1898.

To the Speaker of the House of Representatives:

Sir—I am instructed by the Senate to return to the House the following concurrent resolution:

Whereas, The Michigan Legislature in regular biennial session assembled, one year ago, expressed its sympathy for the Cuban patriots in their struggle for independence, and

Whereas, War still continues on the island of Cuba, presenting the most horrible, pitiable, and revolting conditions, and calling forth expressions of sympathy from all mankind;

Resolved (the Senate concurring), That our sympathy for these afflicted people is hereby again renewed and our hope re-affirmed that war, desolution and death will speedily end on that unfortunate island and the boone of independence be again an established fact;

Resolved, further, That we express our highest appreciation of the policy pursued by President McKinley, assert our confidence in his calm, prudent, patriotic leadership; congratulate Congress of the United States on the unanimity of their courageous action taken on the emergency war measure, and hereby assure the national administration that should war come, Michigan will quickly respond as in "sixty-one" and furnish her quota of brave and loyal sons to keep step to the music of the Union.

Resolved, That a copy of these resolutions be forwarded by the Secretary of State to President McKinley and the President of the National Senate and the Speaker of the House for communication to those respective bodies.

In the adoption of which the Senate has concurred.

Very respectfully,
Charles S. Pierce,
Secretary of the Senate.

The resolutions were ordered engrossed under the rule.

On motion of Mr. Washer,

Leave of absence was granted to Mr. Lusk indefinitely.

On motion of Mr. F. Shepherd,

The House adjourned.

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Lansing, Friday, April 1, 1898.

The House met pursuant to adjournment and was called to order by the Speaker.

Prayer by Rev. Mr. Bostwick.

Roll called: quorum present.

Absent without leave: Messrs. Bates, Otis and Petrowsky.

Mr. Whitney moved that leave of absence be granted to all absentees for the day;

Which motion did not prevail.

SPECIAL ORDER.

On motion of Mr. Lusk,

The House went into committee of the whole on the special order.

Whereupon the Speaker called Mr. Weier to the chair.

The Chairman announced that the committee would continue the consideration of House bill No. 1, file No. 16, entitled

A bill to provide for the assessment and levy of taxes upon the property of railroad companies, express companies, telegraph companies and telephone companies and the collection thereof, and the appointment of a State Board of Assessors to make such assessments and levy, and defining the duties of such board, and the compensation of its members, and to repeal section 33 of act number 42 of the laws of 1846 as amended by act number 179 of the laws of 1893, and section 31 of act number 113 of the laws of 1846 and the amendments thereto, and all other acts or parts of acts whether contained in special acts under which any of the companies whose property is to be assessed under this act shall have been incorporated or under the general railroad law and the amendments thereto, or in the act for the incorporation of union raliroad stations and depot grounds, or in any other law of this State so far as such acts or parts of acts are inconsistent with this act and no further.

And the pending question when the committee arose was a motion to strike out all after the enacting clause of the bill. That is the question now before the committee.

The Chairman:

Are there any other amendments to the body of the bill.

Mr. Smith:

I wish to make an amendment, if it is in order.

The Chairman:

It is.

The Clerk:

Mr. Smith moves to amend by striking out of lines ten and eleven of section 6, the words "assessed in the State, as fixed by the Board of Equalization at its last meeting." And insert in lieu thereof the words "As determined by said board liable to assessment under the general tax laws of the State."

Mr. Smith:

I offer this amendment because I am anxious that this bill should impose equal taxation if it should be passed by the two houses, and even

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with this amendment I am not quite satisfied we will reach the mark; but with this amendment we will come pretty near there.

We have heard a good deal about the various liabilities that railroads are subject to, such as claims for damages, providing necessary alarm bells at crossings, employing men to guard the different crossings, and all that kind of liability; but I leave that all out of the question and try to make an average equal taxation with that advantage in favor of the general property.

Now, under that bill as it stands now, the taxing would be something like this: We find from the only researches that were ever made, about the sum of all the taxes in the State—those taken by the statistician for five years from 1892 to 1896—we find the average raise under the general tax law, or at least the amount raised in 1896 was eighteen million four hundred thousand dollars. I might say in this connection I believe the Auditor General or his department has made estimates of this amount of taxes, but they have nothing before them except the delinquent tax roll, and everybody who studies into them a little will see their defects, they are very erroneous or very liable to error, because we may have only one return. From such townships as I have in my own district, they might have only one return of delinquent taxes from that district that is assessed at a million and a half of dollars, and they might have only one return from a district that is assessed for only fifteen thousand dollars. Now, the average of those two means but very little. Such averages as that, is what the Auditor General has before him to make up the total sum of these taxes. Since we have these tables made up from reports from all counties and towns, it is fair to assume they are nearly correct for the year 1896, by which computation we find under this bill, as it now stands before the House, the average rate of taxation would be one and four-tenths per cent.

Now, the rate depends upon the value which this board puts on railroad property. You all know perhaps, that the railroads of Michigan give us a sworn value of their property at 303,000,000 of dollars, and all will concede that that could be reduced and very probably would be by any board that would be put in charge of this matter. Suppose they reduced it, making thirty thousand dollars a mile the assessed valuation—and we find that this is the value of some of the roads in the State of Indiana—now suppose we take thirty thousand dollars a mile for the value of our railroads, that gives a value for all the railroads of two hundred and thirty-three millions of dollars. Now, under this bill, the railroads will pay one and four-tenths per cent on $233,000,000. And that is a little higher than any other property will expect to pay, and I think under all the circumstances it is not intended to make the tax quite so high as that.

Now to make it so with each year, the equalization of property can be made, and so that we can be equalized on the start and in every year thereafter, I have offered this amendment which allows this board to review this value as fixed by the State Board of Equalization,—which is eleven hundred and five millions at the present time,—it allows them to review that, and if they find the property is not valued at its proper cash value, or if they find any property in the State has been omitted in making the assessment rolls, they can add those two corrections to the eleven hundred and five millions, and no gentleman here will deny

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but that the eleven hundred and five millions will be increased by quite an amount.

Now, we certainly mean to make these taxes equal on corporate property and on all property which has heretofore been assessed under the general laws. I think it does not require much further explanation to show that the value which this board would arrive at, being the true cash value, and considerably higher than the present value, than the equalized value would be, would give a sum which is exactly proportionate to the value that they put upon the railroads and other corporate property.

Now, there is another reason why we should not assume that eleven hundred and five millions is the value of all property in the State that goes under the general law, and that is the fact that it is determined only once in five years. The railroad property valuation and the corporate property valuation under this bill would be made every year, and in order to compare it with a sum which should represent an equality with this yearly valuation, it would not be proper to state a valuation fixed five years ago. There is naturally an increase of property in five years; and although if this were fixed so that this year it was somewhat proportionate to the eleven hundred and five millions, at the fifth year it would be considerably out of proportion to the amount with which we compare it.

For these reasons I think, we would arrive at a just percentage very much more closely than we will under the bill; and I hope as a compliance with the petitions which have been sent to this House with eighty thousand names, I hope in compliance with those we will enact a law imposing equal taxation, and the members will all see that this is a much nearer approach to that very desirable end than the bill as it now is before us.

Mr. Atkinson:

I would like to hear the section read as it is proposed to amend it.

The Clerk read the section as if amended as proposed.

Mr. Atkinson:

This amendment, if passed would practically destroy this bill, and I have too much respect for the gentleman who proposes it to believe that he does not see that it would have that effect; he is a clear-headed, able member who has been opposed to this system of taxation, as he states himself, from the beginning; and this amendment is evidently intended to destroy the bill that is now before us. It is also intended to give the commission that will be designated under this bill or elected under it a moving commission to go all over this State, and re-assess all the other property of the State. They are also, as contemplated by this amendment, to see if they can find anywhere in the State any piece of property that has escaped taxation and to give the railroad companies and others taxed under this bill the advantage of the taxes that that property should pay; the other people have to bear all the taxes notwithstanding the omission of these pieces of property, but this amendment would tenderly take care of those companies and give them the advantage of having nothing omitted.

Now, I am not willing that this board should have power to go through the State and assess all the property in this State. They include among their numbers those who are first appointed, the very men who have

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passed upon the equalized values of property in this State. Now, do we want to say to them: "You can go all over the State, and if you find a piece of property in one of the counties that has not been taxed, you shall give these companies the advantage of their tax, although the other people of the State have had to pay their taxes without any such advantage."

This bill is already made just as favorable as possible, with the principle of equality in view, for the companies we are attempting to tax, and I trust if we are going to pass a bill in this House it shall be passed in good faith and complete in its provisions, so that we will not go to the people with the pretense of having passed a bill and at the same time having destroyed it by an amendment of this kind.

As I read the amendment now, it would practically do away with the equality that we are seeking to get, and that would load the State up with a board that might make infinite expenses in hunting over this State to see if it could find some piece of property that had been omitted by the Supervisors so as to bring it in as a disturbing element, in administering this law. It would make the rate, too, so uncertain that the courts would probably say there was no basis on which the tax would be fixed; it would be subject then to the objections that gentlemen have made, that the Legislature had not fixed a basis for taxation, but had undertaken to delegate that basis to this board. It is bristling with objections. It is like giving a dose of arsenic to the child you pretend to be raising and nursing so that you might call it a tonic and at the same time produce death, so I trust this amendment will be defeated.

Mr. Harris:

I hope very much that this amendment will prevail. I want this bill in such a shape that I will be able to vote for it. There has already been more amendments placed on the bill by this House than I expected, but still not enough so that we with clear consciences can vote for it. When my brother offered the amendment yesterday if it had passed, it would have satisfied me. The amendment offered today covers that subject, and with that amendment on the bill I would cheerfully vote for it.

Now, Mr. Chairman, I am perfectly willing the railroads shall pay their full share of the taxes, and put them on the same basis that you do other property in the State. I don't care to go over all these points that have been made in regard to the amount of property that escapes taxation in this State, only to say this: That I know and you know, and every other member of the House knows that if you take a fair valuation in the State it would not only be $1,100,000,000, it would be not only that but it would be over $4,000,000,000.

I have been an assessing officer all my life, I know how property is assessed in this State; that while in certain localities real estate, as they say it is in Detroit, may be very nearly assessed at its cash value, I do not believe that it is any where near that. Their board have added very many millions of dollars already in certain parts of the city to the assessed valuation of a few pieces of property in that city, within a few days. I think very likely it would bear adding very many more millions of dollars and still not be up to the real cash value, and I believe it is an honest fact that real estate is assessed higher there than in any other portion of the State. You may go through the cities and villages of this State, go through the stores,—stores that have stocks of $10,000,

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and you will find that they are not put upon the roll for more than two or three thousand. If you place them on the same basis as you do the railroads you have to take an inventory of their property. No man is capable of assessing them and come within 100 per cent of their value unless you make them comply with the same law you do railroads. You are discriminating against them. I believe it is right to put them all on the same basis. If you will do that there is not a man on the floor of this House but what will cheerfully consent to make the railroads pay all the taxes that you can show they should pay. I don't claim that they are paying enough. I presume they are not. They are like everybody else; they will get rid of paying all the taxes they can.

I had the pleasure of voting as I did during the general session of the Legislature, I am on record, and I see nothing since that time to make me change my mind. I thought as I still think, that specific taxation for railroads is the better way. If it does not raise enough taxes, why, put more on, and I will be with you there. I know men in this House are under pressure to vote for this bill. I have had occasion within the past week to talk with more than half the members of this House, and almost everyone of them have stated in direct terms to me, that it was their own honest conviction that the Merriman Bill was nearer correct than the present bill. But there has gone out a sentiment throughout the State, petitions have been circulated,—you all know in what manner,—and those men are voting under pressure. They have my sympathy and my heartfelt prayer. I know how they feel. I thank God I am not placed in that position. There is no party from my district that has asked me to change my vote. Petitions may have come in from there but I have seen none of them; no letters have been written to me, and I cannot see that in conscience I can take any different stand from what I always have. There is a principle involved as far as I am concerned that is above politics or anything else. We say sometimes we vote for the good of the party, that we must vote contrary to our own honest convictions. Now, gentlemen, I yield to no Republican upon the floor in my fealty to the Republican party. I can say what no other man on this floor can say, that I have voted the ticket longer and oftener than any of you. I have had the distinguished honor of voting for the first Republican governor of this State in 1854, also for the first candidate of the Republican party, John C. Fremont. I have voted for every one of them all down through a long illustrious line of presidents, down through to Garfield, Grant and James G. Blaine, and following along through to Harrison, and for William H. McKinley, the peer of them all. Now, gentlemen, I would be loth to do anything to hurt the grand old party of which I have always been a member. I don't think my vote or the votes of any of the members of this House will have that effect. I believe the old Republican party is anchored on too strong a basis to have any vote that I may give, or you may give, hurt it. I don't believe even the notion of our somewhat erratic Governor is going to phase the Republican party. I believe we will come up smiling at the last as we always have. The principles of the Republican party are founded upon right and justice. We have always been on the right side. We are still on the right side, and are going to be. I believe although the clouds may gather, and it sometimes may seem dark, in the end we come out right,

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because the principles of the Republican party are founded upon right and justice.

"For right is right since God is God, and right the day will win;
To doubt would be disloyalty, to falter would be sin."

Mr. Colvin:

I didn't know the campaign was open. I didn't know really that we had opened the campaign; if I did I should have been home tending to my part of the country. I object to these campaign speeches. It seems to me the gentleman is talking substantially in the interest of the Republican party. I supposed we were talking here in the interest of all the people,—to get equal taxation. Now, to establish this board and send these men all over the State to look up all the property they can,—from an economical point of view we might almost as well exempt the railroads from taxation and have the salaries we give to those commissioners. We might as well exempt the whole thing from taxation, and let the farmers and laborers pay the entire taxes. It is a shame for any gentleman to get up here in the House and make such a speech. It seems to be the entire aim of some of these Republican speakers to fire at us all the time and tell us of the glorious things the Republican party has done. Did you put down the rebellion alone? Was there no Democrats there? The little state of Delaware turned out more soldiers than any other State in the Union according to its population. What are you kicking about? You're fighting for the poor nigger. General Butler raised a regiment and they were down there fifteen months and you never paid them a dollar.

Mr. Harris:

I call the gentleman to order. Did I say anything about putting down the rebellion.

Mr. Colvin:

No, but you was speaking all about the grand old Republican party. I want it understood, and I want to know if the Democrats did not have a hand in the fight. We have set here and heard of this taxation bill in the regular session, we stood by the bill and by any bill that would help the people and taxpayers of this country. I have stood right by it and haven't deviated. You have been fighting the taxation amongst you. You put two more wheels on the band wagon and you are all ready to flop on to it.

Mr. Fleischhauer:

I rise to a point of order. The gentleman from Saginaw is not talking on the question.

Mr. Colvin:

I am in order and you are out of order.

The Chairman:

I allowed the gentleman from Antrim, Mr. Harris, to speak upon the glory of the Republican party. I think it is no more than fair that the gentleman from Saginaw should have the same privilege.

Mr. Colvin:

You are like a lot of Texas steers, you Republicans; you sit on the front end of the band wagon and then the Democrats and silver men and Populists, you all got up on it the quickest—you have all got onto the band wagon now. I am a member of this House, I was elected by as

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strong a majority as any member here. You might as well try to talk down a Kansas cyclone as to talk me down. I have come here to represent my people and the principles of my people and I come here to talk upon this point.

Mr. Kelly:

I rise to a point of order.

Mr. Kelly:

Mr. Chairman, ———

Mr. Colvin:

You might as well be quiet for I am going to stay here. I come here to represent my people, and I am going to speak because I have come here to talk upon this point.

Mr. Kelly:

I would like to ask the gentleman a question?

Mr. Kelly:

I rise to a point of order; have I got a right to state my point of order, or haven't I?

The Chairman:

The gentleman will state his point of order.

Mr. Kelly:

I wish to state, the gentleman is not speaking to the question. He is not speaking at this time to a question before this House. We are wasting time when we are talking politics upon the floor of this House.

Mr. Scully:

I rise to a point of order; the question here is not debatable and Mr. Kelly is making statements ———

Mr. Kelly:

I am stating my position. The gentleman is not talking upon the question before the House, and I ask a ruling from the Chair.

Mr. Sawyer:

Mr. Chairman, I move the gentleman may proceed with his discussion.

The Chairman:

The gentleman from Saginaw has the floor.

Mr. Colvin:

I have tried all the way through our session to keep politics out of it. My friend got so over-fed on politics that he had to get up and fire it off. It touched my magazine off and I had to let 'er go. I wish to make an explanation to you people of the Republican party and the people of the Democratic party. I want you to let me make a statement in a few words. He was referring to the Republican party and giving it as a reason,—and I am referring to the Democratic party, I am giving my reason why I support the bill.

Mr. Harris:

I was explaining why I should vote against this bill that was all I meant by it. I know parties were claiming I was going to vote under pressure for the bill, and I gave it as a reason that I was a Republican.

Mr. Colvin:

If it had not been for the silver men and Populists to stand for it and Pingree upon some taxation bill, you and lots of others would be flopping on the rear all the time.

Mr. Harris:

That's all right, I expect to be flopping in the rear any way.

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Mr. Colvin:

Since I have been here I have got to overflow. I've got a large amount of gas on hand and I haven't had an opportunity to let it off, and it's got to go.

The Chairman:

The House will come to order.

Mr. Smith:

In connection with the business of the House I would like to call attention to the impression that the gentleman from Detroit may have given you. He refers to the work of this board and states they are to assess all the property of the State. There is no such thing in the amendment. They are not to assess it, they are simply to make an estimate on such data as they can collect. I hope no one will be lead away by that statement. Another reason why the amendment ought to prevail is the fact that railroad property will be assessed with the sworn statement of the officials of every railroad before them. They can say exactly what the cost is because they have the sworn statements of the officers. Now, gentlemen, I submit if we amend the general tax law so that every man and woman in the State who had property had to make a sworn statement of their property I would not object to the bill as it reads. But you well know the practice is that no one swears to the property he may have, it is simply put down by the assessors usually without any inquiry, even if inquiry is made it is simply a short verbal conversation. If we amend the general tax law so every person has to make a sworn statement of his or her property, the same as corporate property owners have to under this bill, then I would not object to it. But to allow a slight guess to be made by some one who knows but little about the property on the one side and a sworn statement on the other is manifestly a great injustice.

Mr. Eickhoff:

There has been a statement made before this House concerning taxation in the City of Detroit, which I feel ought not to go unchallenged. My friend to my right made the statement that millions of dollars in Detroit have been placed upon the tax roll, but he did not tell you that millions of dollars have been taken off the tax roll on account of the depreciation of property in certain localities of the city.

It seems to me, Mr. Chairman, and gentlemen of the House, that this fight is going on for the purpose of attracting our attention in some other direction. The question at this time to be considered is whether all the people should be taxed under the one system; not tax one class of property according to its earning power and tax other property whether it earns anything or not. In the City of Detroit within the last five years there has been twenty thousand descriptions of property sold for taxes, and one hundred thousand dollars worth of property taken off the tax rolls. In the year 1895 there were 238 factories idle in Detroit, throwing out of employment over 16,000 men, as the labor reports of this State will show. If those manufacturers and those wage workers were living under a system of specific taxes how much taxes do you suppose they would pay? I, myself, unfortunately was one of that great number, and for over nine straight months I never turned a hand. But when the tax collector came around we had to pay. And I believe that is the matter under consideration at this time, whether all classes of property shall

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pay whether they make any money or not; and if this is wrong why let us all come under the system of specific tax and pay when we are making money. You cannot divide this question by leaving one class of property to be taxed by its earnings and the other taxed whether it earns anything or not.

As to the assertion made by my friend as to the condition of the farmers I don't know; but from the sentiment expressed on the floor of the House I have come to the conclusion that farm property should be assessed the same as property is assessed in the city. Whether they make any money or not they have got to submit to the assessor and the receiver of taxes whether they have taken in a dollar or a thousand dollars. Now let us not deviate from the course we have pursued from the beginning of this session. The Governor has pointed out to us this great error and I believe it has been impressed upon the mind of every member of this House if he only wants to see it. Let us not put this bill in a position where it will be of no use. I am, unfortunate, not being a lawyer and will have to take the statements of my friend, Mr. Atkinson, when he says this amendment would invalidate the bill. I believe he is telling the truth, and I believe his opinion should have some weight with this House. I sincerely hope that any amendment to the bill that will attract our attention to something beside the taxation of all people alike and under the same system, may be voted down. And I sincerely hope this amendment will be voted down at this time.

Mr. Atkinson:

I desire to state to the members of this House that I very much fear that there may possibly be an effort made to prevent a vote on this bill today. So that while I believe in the widest possible debate, I hope the members of the House will not be drawn out into any side roads and led away from the main question. We all want to adjourn at an early hour today and I also desire to ask this favor of the members—not to have them refrain from debate that they consider important—but let us if possible not be led into any side channels.

Mr. Smith:

I would like to assure the House if there is any such arrangement I know nothing about it. I offered the amendment in good faith without any consultation as to whether anybody would support it or not. I talked with two or three about it—I talked with more than that about it—and I don't know as any one said that they would support it by argument. They said it was all right and thought it ought to be adopted. But I did not take it that they were going to talk upon the subject. So far as this amendment goes I would not like to have it throttled by any assumption, because there is no intention to use up the time or do anything except to make the bill a more perfect bill and one that I could support.

Mr. Foote:

I do not believe there is any member of the House who would accuse me, at this session, of taking up the time of the House without a purpose. Now, Col. Atkinson stated that he believed that there was an effort to prolong this debate in order that the bill shall not be passed today. I do not believe there is anything of the kind. Until Mr. Smith offered his amendment I had no knowledge that such an amendment to the bill would be offered. But I say to you now that in my opinion this amendment should pass. It appears to me that this amendment is of vital

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importance, to every man concerned. It seems to me in passing the amendment we are making a provision looking to equal taxation. I am informed that there has been a petition here from 1,800 of my constituents, although I have not been able to see the list. I have also been informed that those petitioners ask and believe that we should pass a bill looking to just and equal taxation all over this State, not only to railroad but to property which is not now taxed. I am informed by the supervisor of my city and township that the rate of taxation or assessment for Kalamazoo County today stands at 50 per cent of its cash value. Would it be right, would it be just, for the bill to pass as it now is, with railroad property throughout this State, the valuation of which can be found almost to a certainty, excluded or to tax the property belonging to the railroads at its full cash value when the property in the County of Kalamazoo is assessed at 50 per cent of its cash value. Now, if we can pass the amendment, or make provision in this bill, I care not if it becomes necessary for the Board of Assessors to go to every township in our State to ascertain whether the property is assessed at its cash value or at 50 per cent, or 75 per cent. If it becomes necessary to do this I say let them do it in order that we may arrive at the true cash value of all property in the State including railroads. I believe today the cash value of Kalamazoo County—I do not know what it is,—but I do not believe it is assessed at one-half its value.

There are men in Kalamazoo who are hiding their personal property so the assessor cannot get at it. And yet while the supervisors are commanded, by law, to assess property at its full cash value, it is not so assessed.

Mr. E. W. Moore:

How about the farmers?

Mr. Foote:

I do not know what the assessed rate on farm property is. It is property that the assessor, when he comes there, can arrive at and give his best judgment of its true cash value. For example, I own a piece of land, we will say, adjoining the Michigan Central Railroad. I am in a business that makes it necessary for me to have a warehouse. I construct that warehouse by contract; it costs me six thousand dollars. It becomes necessary for the railroad company to construct a warehouse right on the opposite side of the track, upon the same amount of land. The contract is given to the same man that I gave mine to. The amount he pays is exactly the same. The railroad company is assessed at its full valuation—six thousand dollars for that warehouse, and my property is assessed at three thousand dollars. Is that right? Is that just? Can we so smother our conscience that we can vote—while nominally the bill calls for equal taxation—can we so smother our conscience as to assess the railroad company for that warehouse at its full valuation and assess my warehouse at only 50 per cent of its valuation?

Gentlemen, there is no reason under heaven—no just reason—why this amendment should not prevail. It has been cited that the Republicans should vote for this bill as a matter of policy—as a matter of expediency. I have voted the Republican ticket from my first vote for Abraham Lincoln, clear through until I voted for Governor Pingree. Now can I, in view of this fact, smother my conscience and vote for a bill which I

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believe is unjust—is inequitable—simply because I believe it is for the interest of the Republican party. Great God, forbid.

Mr. Atkinson:

Will the gentleman allow me to ask him a question.

Mr. Foote:

Certainly if I am able to.

Mr. Atkinson:

What did you do with your conscience when you were assessed at three thousand dollars, when you ought to have been assessed at six thousand?

Mr. Foote:

I was not assessed at three thousand.

Mr. Atkinson:

That is only figuratively, of course.

Mr. Foote:

My property which cost me six thousand seven hundred and fifty dollars was assessed four thousand five hundred.

Mr. Atkinson:

What did you do with your conscience then? Did you go and pay your taxes?

Mr. Foote:

I did not; neither would you.

Mr. Atkinson:

No, probably not.

Mr. Donovan:

I believe that the majority of the members of this House are in favor of equal taxation—a legal rate of taxation. Now, the fact that there is property hidden from the assessor, will not be remedied, I think, by this resolution or this amendment. If the present assessors cannot find this property, how is the new board going to find it? They can hide it just as well, and perhaps better than they can from one of their own neighbors.

Now, last evening we had an amendment to this bill that I think gave us a very fair chance to have an equal and level rate of taxation. I have the same identical amendment prepared, in almost the identical language, and had it when Mr. Crippen presented his. They are permitted to take the assessed valuation of the State and the assessed valuation of the railroads, add these two together, and from that you have the amount of tax to be levied, fixing the rate. We virtually direct what that rate should be—not exactly the figures, but the manner of doing it—how to do it.

Now, if we find that class why do we want to try and find some other method to do it? Why not push this measure through and get through with it?

If I could be convinced that there is more equity in this amendment than there is in the one we have passed and attached to this bill, I would be constrained to vote for it. I do not believe that the talk here of smothering our consciences upon this floor by voting for this bill whether we believe in it or not, whether we can see a principle in it or not, is wrong; I do not believe any man is called upon to do that. If there is a principle in that bill, vote for that principle. If it affords a measure of relief, there is a necessity for that relief, and let us try our best to give that relief. The people are carrying burdens that they cannot bear

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much longer, and some relief must be afforded; and they look to this House and to this Senate to afford that relief.

Now can we stand here and change every fifteen minutes from the starting point and make a new one, on the plea that it is better and more equitable? I cannot concede, Mr. Chairman, that we can do so.

Mr. Sawyer:

I hoped that we might reach a vote upon this bill this morning. It is now eleven o'clock, and all the morning has gone into a discussion of this question, when we could have gone to a vote. A majority of the House could settle it in two minutes. I think we ought to get through with it. I think we are expected by our constituents to get through with it. I hope the discussion will end as soon as possible. Let us dispose of this matter in some way this morning, if it is possible, and dispose of it in accordance with the dictates of the Republican party and the interests of the whole public. I do not say that to start any man off against the Republican party, being a Republican myself; and I do not object because my friend over there talks about the Democratic party. What I am in earnest about, is that we shall cease discussion upon this subject—cease talking against time, but let us get down to work and pass this measure if we are going to. And I hope I may be pardoned for saying it, while there are many things in this measure I do not believe in, and if I had my way about it, and my people thought as I do about it, I would certainly ask to change this measure; but I think it is the best we can do under all the circumstances. I would not, myself—I do not mean that—but what I mean to say is this; while I believe there are constitutional objections against this measure, yet I am not so set in my opinion upon that subject that I would not yield, upon discussion. I think there are constitutional provisions in the way of this bill; but there are other gentlemen upon this floor whose opinions I am bound to take, at least as far as I can, and conform my opinion to theirs, if possible, for the purpose, of harmony, and vote otherwise, and they must take the responsibility. Our people want us to act upon this measure, and they want some relief. As my distinguished friend from Bay has said, they are asking us for some relief. We have it in hand now; do not stop and spend too much time upon the discussion of questions, which in the end will have to be settled in court. We may have our different opinions about it; but we have spent all this session, so far, in discussing those differences of opinion. Now let us come to a vote upon it. I would not myself have thought it wise to change the system of taxation from the old regime. I think it is the best system for taxing railroads that there is anywhere. I am willing to accept their position in the matter, if it is the best we can do, because I feel our people do need something of this character, and they will be dissatisfied with no less than a change upon this subject, and I, for one, am inclined to give it to them, and give them an opportunity to try the system. While I realize perfectly, with every one of the distinguished gentleman before me, that those States who are now using this system that we are seeking to introduce, are trying to get away from that system and get back to the system we are working under, I say, while I realize that, and while I believe it is unwise to depart from the system of taxation we have got now, yet there comes up to us the request from our people on this subject, and inasmuch as the Chief Executive and his advisors are willing to take the responsibility of

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its being right, I think it is my duty—I think it is right for me to yield my personal views, to some extent, to theirs. For that reason I hope, now laying aside all party lines—all prejudice of classes—all controversies, let us come to a vote upon this question, and if possible dispose of it.

Mr. Colvin:

I want to speak, and I won't say anything; no, not a word, about Republicans or Democrats. What I want to say is this: While my friend, Mr. Foote, has said here, the supervisor admitted to him that he was a perjured villain, the property, he says, was only assessed at half its value. Now had Mr. Foote, as a lawyer, ———

Mr. Foote:

I am not a lawyer.

Mr. Colvin:

I said a perjured villain. If you are not a lawyer you ought to be one, for you would be an ornament to the profession. He had taken an oath to go there and assses the property at its true cash value, and he only assessed it at half its cash value. That man ought to be in the penitentiary. And if you are speaking about lawyers—the men to look after these things, and speak about fine consciences, a lawyer's conscience is punctured full of holes and they haven't much conscience, anyway.

Mr. Bemis:

I have been trying all through this discussion to discover what was fundamental in this bill, and if it was desirable to work for it. Now, it seems to me, sir, as was contemplated—I know it would not have been contemplated otherwise by the author of this bill, that the taxation feature of this bill is the fundamental thing. Now, sir, we talked for hours here yesterday to fix that part. Now, if I understand correctly, the motion, or the amendment that was offered by the gentleman, Mr. Crippen, and that was adopted, if I understand correctly, sir, that change in the bill will change the rate of taxation on the railroad company, and will lower that rate, sir, we took scarcely 15 minutes to discuss that—we took but a very short time as compared with the time we took to discuss the question as to how the board should be looked after—whether appointed or elected.

I would like to ask what is fundamental in this bill, if it is not the rate of taxation that we are to get from the companies—is it the board? I think we ought to hold ourselves to this question and consider it.

The Chairman:

The question is on the amendment by Mr. Smith.

The motion to amend did not prevail.

Mr. Smith:

Mr. Chairman, I rise to a point of order. There are none of us back here who know what you are doing.

The Chairman:

The gentleman from Houghton is not in his seat.

Mr. Adams:

Mr. Chairman, I desire now to renew the motion I made last evening. to wit: to strike out all after the enacting clause.

The Chairman:

That motion is still pending, Mr. Adams.

Mr. E. W. Moore:

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I wish to say a few words at this time. That the members of this Legislature while attending the meeting of the joint committees held in this House have been listening ———

Mr. Bricker:

Is there any question before the House?

Mr. Moore:

That is on the question I thought—I thought we had the question of striking all after the enacting clause.

We, the members of this Legislature, while attending the meetings of the joint committees held in this House, have been listening as jurors to the arguments of trained and able attorneys who have endeavored to convince us that this measure was unfair, unnecessary, unconstitutional and oppressive; but as a jury we have been in an unprecedented position, that is; we have acted as a jury before whom a case was argued where only one side was represented by attorneys, the other that of the people, the farmer, the business man and the laborer and other both small and large property owners throughout the State were not so represented. This fact being due, in all probability, to a lack of organization on the part of the friends of the great majority of the people. Consequently the only arguments from outside of our own body that we have to base our conclusions upon, are those that have been made against the measure.

From these arguments and from them alone, if from no other, I for one am thoroughly convinced that the railroad companies do not pay their fair and just share of taxes.

One of the most able advocates of the railroads admitted that they did not pay as much in proportion to the amount of their property as others, and made what would seem to me to be an unsatisfactory explanation that they ought not to do so.

One of the claims made for low taxes being placed upon railroad corporations was that when the railroads were running at a loss, they could not stop operating. If this argument is a good one, the same might be advanced in regard to almost any business. The merchant; who retails goods over a counter cannot close his store during a dull year because if he should he would lose an established trade. The farmer must work his farm every year whether he secures profitable returns for his labor or not.

Another reason given for comparative exemption from taxation is that the railroad companies were, some of them, run for years at a loss. Now is it not true that if a farmer should pay out more for improving his farm than his receipts were for a series of years that after he had gotten it into a perfect state of cultivation that his taxes would be the same in proportion to the value of his property as would those of his neighbors who had been receiving a steady income?

The farmers of this country cannot escape the tax gatherer; their property is in plain sight, and whether they have a good year or a poor year, whether they make money or lose money, they must meet this obligation, and more than this when the times are hard and business is poor throughout the State, then under the present system the railroad companies' taxes are less than in prosperous years, and consequently the farmer has to pay a greater percentage on his farm in a poor year than he does in a good one, because, during hard times, he has to pay a greater proportion of the taxes of the railroad companies.

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In regard to the constitutionality of this bill, and as to whether it will stand the test of the courts, I do not know, but we have had the best legal advice that was at our disposal, and should the courts decide that the law which we make is imperfect, we hope and trust that public sentiment will be so aroused that any mistakes that may be made will be corrected by the next Legislature.

One of the speakers before the joint committee made the statement that the railroad companies did not wish to lower the wages of men who were working for a dollar and a dollar and ten cents per day. He said nothing about cutting down the salaries of the high officials of the road, nor did he say that it would be necessary to pay a less sum per hour to the attorneys who look so faithfully after the interests of these corporations.

I do not believe that the railroad companies will lower the wages of their employes if this House should pass a bill that would tend to make them pay their fair and just share of the public taxes. Does the farmer lower the wages of his hired man because his tax happens to be a small amount larger this year than last? It is true that the time was when the public were so anxious for railroads that they were willing to give them almost any concession, but this time has gone by; the infant industries have been encouraged and we now think that they are able to walk alone and to bear their share of the public burdens, and as dutiful children assist those who took care of them when they were young.

Mr. Zimmerman:

The question which confronts us at present is the one made by our friend from Kent, to strike out all after the enacting clause in this bill. I hope this question will come up immediately and be decided most emphatically one way or the other. I do not believe that we should employ any dilatory tactics here at this time, and seek to either defeat this bill or to prolong it by putting it off to be voted on at some future time.

We are about to return to our homes to attend an election. We have been here now two weeks. I don't think that we should return and say to our constituents—to the people who will enquire of us what we have done here, that we have simply done nothing.

Let us take up this measure right now—this question, and decide it, once for all, whether or not we are here to put ourselves on record, as has been said about us. Let us take the stand one way or the other, and let us not crawfish, and when the proper time comes tumble over into somebody else's wagon.

I do not rise at this time to extol the virtues of the Republican party or my record in the party, as has been done here this morning. I do not think this is the time we should consider such matters. I believe it is a time when we should consider the interests of the people, and no one else. If it is right that this measure should pass, let us pass it—let us take it up and vote most emphatically. Let us not waste our time in spending the money of the State in employing the time in petty amendments to this bill and giving them consideration and valuable time. I believe the bill is as perfect as we will be able to get it. If it is imperfect, let the Supreme Court say it is; and not until then, will we know whether or not it is perfect.

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This bill has been considered and gone through with section by section; the bill has been amended from time to time. We have now proposed all the amendments to the bill which will be made—perhaps not all that will be offered—and I hope that since that has been done, we will take up this measure now and get through with it. I think we should get through with it before we leave this hall today. I believe it becomes our duty to act now, and act most emphatically, and act determinedly and at once. I hope no longer time will be taken up in idle discussion of this measure.

Mr. Peters:

I move to strike out all of section 29, and at the end of section 28 after the word "penalties," the words "Provided, That the rate of taxation fixed by this act or any other law of this State shall not apply to any railway or railroad company hereafter building and operating a line of railroad within this State north of parallel forty-four of latitude, until the same has been operated for the full period of ten years, unless the gross earnings shall equal four thousand dollars per mile, except in so far as said line so built shall extend south of said parallel, but no such company shall be entitled to the immunity from taxation herein provided, when the same is owned, leased or operated by existing companies, until the report of earnings to the Commissioner of Railroads required by the laws of this State, containing the earnings of such lines hereafter built, separate and distinct from the earnings of existing lines, shall be made and filed."

Mr. Peters:

Mr. Chairman, my object in moving to strike out all of section 29 is for the purpose of preventing a possible contemplated raid on the State treasury. It seems to me that if that section is enacted into a law, that it will be possible to bring on an infinite number of lawsuits throughout the State. We know that under the law of 1891 there have been several railroads built north of the 44th parallel line. Under the provisions of that act they were promised immunity from taxation for ten years unless their earnings reached over four thousand dollars per mile. It has been state to me that the provisions of the Merriman bill repealed that law. If it did, I do not see why it should not be re-enacted into this law and made a part of this law in order to protect the State from litigation. I am not willing that our State should be made a party to continuous litigation by railroad companies, and I am sure that if we adopt this amendment to that section and strike out all of section 29, the bill then, I believe, will meet with a great deal more approval by the people of the State of Michigan than the bill in its present form.

Mr. Atkinson:

I presume the members of the House recognize this amendment as their old friend for exempting certain railroads from taxation. It is an amendment that would be entirely outside of the Governor's proclamation. We have no right to pass it. It is an amendment entirely against the policy of this bill. It is an amendment which seeks to exempt certain property from taxation instead of making them pay it, and we are not here for that purpose. I do not think my friend is so much afraid of a raid on the treasury as he seems to be. There can be no raid on the treasury unless we lay the foundation for it, and that is apparently the object.

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The gentleman has told me within a few minutes he would vote against this bill, no matter how it was fixed as long as it taxed the railroads.

Mr. Peters:

I beg your pardon, I did not say that, I said I would not vote for the bill as it did not meet my approval, and I have just as much a right to an opinion as the gentleman has.

Mr. Atkinson:

Yes, but I rather like it because it does not meet the approval of the gentleman from Marquette, and I hope this amendment will be voted down. We want to get to a vote on this measure as soon as possible.

The Chair:

I desire to be fair, and although I did not recognize the gentleman from Cheboygan, I will recognize him at this time.

Mr. Shepherd:

It seems to me there are two amendments. The one is the putting in something in section 28 that is entirely irrelevant to the amendment of that section, which proposes to strike out section 29. I think we are entitled to vote upon that separately. I want to vote against one proposition and for the other proposition, myself.

The Chairman:

I will look up the rule of the House upon that point.

Mr. Phillips:

Is not the amendment offered by the gentleman to strike out one section, and insert another in another section; it seems to me that would be divisible.

The Chairman:

It is. The first amendment to be voted upon will be to strike out section 29.

The motion to strike out the section did not prevail.

The Chairman:

The question is now upon the amendment to be added to section 28.

The motion to add the proviso exempting railroads north of the 44th parallel from taxation did not then prevail.

Mr. Atkinson:

Is it in order now to ask that the bill as a whole be acted upon?

The Chairman:

A motion is pending to amend the bill. That is the only motion before the committee now.

Mr. Adams:

Mr. Chairman, and Gentlemen of the House—From 1867 to 1891 was a period that might be termed the construction period as far as the railroads were concerned. During that time the desire of the people was to get our State well traversed with railroads. At that time, we had seven thousand miles of railroad, that is in 1891, since which time it has increased very little. Now, the feeling is reversed. The time has come when railroads should be shown no special favors. They should be treated with equality with other property. They should pay their just and fair measure of taxation. The great problen is to know what that measure is. Now, we are here discussing in this extra session, called for that purpose, not the amount of taxation, not the increase of taxation, not the decrease of taxation, but the method of taxation, and on that proposition, I desire to go on record as favoring the present method of

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specific taxation on gross earnings, because I believe it to be the true and most equitable and exat method, for these reasons: First, the value of all property in the State of Michigan is fixed according to its earning power. Take your farmers for instance, take a farm five miles in one direction from Grand Rapids. It is assessed at twenty dollars an acre. Another farm, the same number of acres, or containing just as many square feet, the same distance from Grand Rapids, and it is assessed at seventy-five dollars per acre. Why? Because the one farm will produce more than the other. The value is fixed absolutely by its productive power. The same is true of business blocks. Were you to go in the market and buy a business block, what would be the first question you would ask? It would be, what will that block produce as an income? That would be the first question you would investigate. Take the block in which I have an office, the Widdicomb building, located in the center of the city of Grand Rapids. Move that block over on West Bridge Street hill, two miles from there and its value would shrink to a small percentage of its value. Why? Because its productive power would be much less, and for no other reason. You can follow down the entire catalogue and that rule will prevail. You take a vacant lot, as somebody has suggested, and it has no producing power. Now, I desire to apply the further principle of value of all property, it is fixed by its past, present and prospective producing power. The vacant lot has a prospective producing power. Its location makes it available to be utilized for an income producing property. It has a value fixed upon that basis. Now, if we must go through the door of gross earnings to ascertain the value, I ask you why it is you cannot stop at that door and take its dimensions and arrive exactly at its value? There is no reason, if you were to send a boy to get the dimensions of a room and told him he must get those dimensions by first measuring the door and he should come back and tell you the dimensions of the door were so and so, and the size of the room he guessed was so, and so, because the dimensions of the door were such, what would you think of him? And that is what you are asking us to do. You are asking us to take the gross earnings of this property, and then go one step further into the dark and guess at the value. I say, stop. Take the dimensions of the gross earnings and fix the value exact. In other words, place a tax upon the gross earnings and you place an exact figure upon the value of that property and wipe out the uncertainty of human judgment.

Second, the states which have a state tax board commission fix the value upon this very class of property to the gross earnings, and I desire now to refer to the Kentucky report of 1897 on page 9, under the head of railroad assessments. This commission was formed in 1878 and has obtained ever since. "The commission has devoted much time and study in an attempt to make a uniform and just assessment of the railroad mileage in the State. We are still impressed with the fact that it is a problem difficult of solution, and while we have done the best we could under all the circumstances we are not entirely satisfied that our method is the proper one. Representatives from nearly every railroad in the state appeared before the board and discussed this important question and numerous methods were suggested, but in all the discussions, gross earnings was admitted to be the leading factor in arriving at a basis of assessment."

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That is the language of the board in Kentucky. Go to the state of Indiana and what do you find: Section 85 of their law requires that they take into consideration all of these sections, I simply refer you to the section, and will not weary you with reading it, and by turning to section 85 of the Indiana law, you can see what their law requires them to take into consideration in fixing the value of the property.

"First, Of the property denominated railroad track, giving the length of the main and side or second racks and turn-outs, and showing the proportions in each county and township, and the total in the state.

"Second, The rolling stock, whether owned or hired, giving the length of the main track in each county and the entire length of the road in this state.

"Third, Showing the number of ties in track per mile, the weight of iron or steel per yad used in the main and side tracks, what joints or chairs are used in track, the ballasting of road, whether graveled, stone, or dirt, the number and quality of buildings or other structures on railroad tracks, the length of time iron or steel in track has been used and the length of time the road has been built.

"Fourth, A statement or schedule showing, first the amount of capital stock authorized, and the number of shares in which such capital stock is divided.

"Second, The amount of capital stock paid up.

"Third, The market value, or if no market value, then the actual value of the shares of stock.

"Fourth, The total amount of all indebtedness, except for current expenses for operating the road.

"Fifth, The total listed valuation of all its tangible property in this state. Such schedules shall be made in conformity to such instructions and forms as may be prescribed by the auditor of the state."

Now, I desire to call your attention to the form they use, and every railroad is required to fill it out. First, the number of miles of main track in each county, the number of miles of second track, the number of miles of side track, the number of miles of rolling stock, and the total value for each county, that is the first list, and then they had to show the total in the state as required by the law. Second, They require a statement of all the rolling stock used, owned, operated or leased; first, locomotives of the first class, locomotives of the second class, passenger cars, first class passenger cars, second class passenger cars, pay cars, officers' cars, sleeeping cars, dining and drawing room cars, postal cars, combination cars, baggage, mail or express cars, box cars, stock cars, coal cars, platform cars, wrecking and camp cars, ice and refrigerator cars, fast freight line cars, caboose cars, tank or oil cars, pile driving cars, push cars, hand cars. They are required to state whether it is owned operated or leased by them in whole or in part, and then the total listed value of the rolling stock. In addition to that they are required to state the length of the main track on which said rolling stock is used in Indiana, and the length of the main track on which such rolling stock is used outside of the state. The total length of the road.

Second, they require them to give the name of the company conveying passengers over their road in parlor, sleeping or drawing room cars, the name of express companies doing business over their line, the names of fast freight companies owning their own cars and doing business over

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their line, the name and address of the president, secretary and general manager of the company. The name and address of officer or agent appointed or authorized to transact business treated of in this blank with the state board of tax commissioners.

There is a complete inventory of the rolling stock and the personal property, and then they require a statement showing the number of ties in track per mile. The weight of iron or steel per yard used in main and side tracks. What joints or chairs are used in track. The kind of ballasting of road. The quality of building or structure on railroad track. The length of time iron or steel in track has been used and the length of time the road has been built. All belonging to or controlled by the blank railroad company on the first day of April, 1897, and according to section 85 of the tax law of 1891. Length of time road has been built, etc., itemizing the provisions of that law and answering it.

Now, they cover the question of capital stock, authorized, and the number of shares into which such capital stock is divided. The amount of the capital stock paid up; the market value or actual value of the shares of said stock; the total indebtedness except for current expenses for operating the road and the total listed valuation of all tangible property in this state belonging to or controlled by such roads on the first day of April, 1897. The amount of the first and second mortgage bonds, and the third and fourth mortgage bonds, if there be any, and the total indebtedness not including current expenses for operating the road; then the current expenses for operating the road. The gross earnings of entire road as shown by the last official report of the company. The net earnings of the entire road as shown by the last official report. The total listed valuation of all tangible property in the state, less the earnings, first the gross earnings of the entire road as shown by the official report of the company, the net earnings as shown by the same, gross earnings of miles of road, within this state as shown by that report, the net earnings and average annual net earnings per mile over the line as shown by the report—the entire line, as shown by the last official report. They require it to show the parts of miles and fractions of a mile in each townshop, and that the value fixed by the state board of tax commissioners be fixed in four items, the value per mile of the main track which varies from five to forty thousand and second——

Mr. Lusk (interrupting):

Aren't these subjects taken into consideration under this bill, wouldn't they be taken into consideration by this Board of Commissioners?

Mr. Adams:

I think most of them would. I have not checked the two bills, but my impression is that most of these requirements are in the present bill before us.

The tax board fixes the value first of the main track per mile, and the second track if any, then the side track per mile which varies from 1,500 to 3,500, the value per mile of the rolling stock; that value per mile is then reported to the township assessors who place it upon the roll according to the mile in that township furnished him by the railroad company, he computes it and carries it out as the assessment against the company, they pay the rate of taxation that prevails in that township.

Now, then, what do the state board of tax commissioners do after they have collected all this information? I had the pleasure of taking Col.

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Walker into a room and asking him to sit down and teach me how to assess railroad property, how to get at the value of it, that was the point that I desired, and I was very much disappointed in all the railroad men that appeared before this committee, none of them ever touched upon that proposition for a moment, not one of them told us the value of a railroad track. They gave us no rule by which we could get at it and arrive at the value of the property of this State, the very point we are seeking to find out.

But what do your board do when they have gathered that information? They simply brush it one side, all of it except the gross earnings per mile, they take the gross earnings per mile, multiply that by thirty per cent, which they say represents fairly the net earnings, the average net earnings of the road in that state, and their gross earnings is almost twice as much as ours per mile. Then they divide that by six per cent to capitalize the property at a six per cent investment, then they deduct one-fourth of that and then they have the basis of the assessed value of the road per mile. Because of some things connected with the road they deduct a little or add a little to the cost, in the case of the Grand Rapids & Indiana Railroad they add some, and why? Because the rolling stock of the Grand Rapids & Indiana road does not only go over the 54 miles of track they own in that state, it goes up as far as Richmond on a leased line, and therefore they take all rolling stock that goes over the leased line, pile it on the line they own and increase the value per mile of the 54 miles they own. And there we find again, even in the state of Indiana that is held before us as a model,—and I am very much in favor of the Indiana law with a few slight changes, they go directly to the gross earnings to find the value of the property.

Third: I believe in the present method because it is cheaper and saves the expenses of this State Board of Tax Commissioners and their traveling expenses which will amount to nine or ten thousand dollars a year. The Railroad Commissioner now does that work without any additional expense, and the money is paid directly into the treasury, that expense is saved and so I favor the method as now in vogue, because it is a true method, because it is the method recognized by all the states in the Union as the way to get at the values, and because it is cheaper.

Now, I want to look at this problem a little and find out what this bill before us will produce. We are told it will produce all the way from three to nine millions in taxes, there are various estimates made, and I want to say right here, and I do not want to be misunderstood, if the railroad property in this State is assessed on the same basis that railroad property in other states is assessed, this bill will produce less than five hundred thousand dollars more than the Merriman bill, and I believe less than one hundred thousand dollars more.

Mr. Atkinson:

Then it is not unfair to the railroads.

Mr. Adams:

Equitably executed it is not unfair.

What is the rate of taxation in this State for general purposes? I have taken every item except the liquor tax and the dog tax, and nobody will say the railroads should pay a proportion of that, I find in 1895, a year that the State taxes were one-third larger than normal, because we had to make up for the deficiencies of the two preceding years,

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I find the total taxes collected for these purposes, were eighteen million six hundred eighty-four thousand five hundred ninety-three dollars and thirteen cents; the total assessed value of the State at that time was $952,902,641, in other words, the average rate of taxation in this State for general purposes was. one and ninety-six one-hundredths per cent. Now, that is not exactly fair. Why? Because I have included items in there that are not properly general taxes, they are special taxes. There is the county drain tax, who gets the benefit of that? It is to redeem swamp lands, and increase their value, and those lands get the benefit and they should get the burden. I have also included the road taxes, I have also included the highway taxes for towns and cities, the drain tax for towns and cities, all of them, and that is in the nature of special improvement tax, and in my judgment does not properly come under the head of general tax. Now, let us deduct them and find what the result is. If we deduct them, we find the total taxes collected in the State for 1895 which now includes one million dollars more than normal, is but sixteen million three hundred thirty-one thousand five hundred and seven dollars and sixty-nine cents. The assessed value I have given you. The true market value of all the property in the State including exemptions was $2,419,785,873.25. The taxes assessed were one and seventy-one-hundredths per cent of the assesed value, two-thirds of one per cent of the true value of the property in this State? Now, suppose the railroads in this State were assessed on that basis. They would have paid in the year 1895 instead of seven hundred and forty-one thousand and something they would have paid $587,000 in the year 1895, if they were equalized according to all the property in the State including exemptions; excluding exemptions it would have been a little more, but not as much as we received, under the law before the Merriman bill was passed. Under the Merriman bill in 1895, the railroads instead of paying seven hundred and forty-one thousand four hundred and eight dollars and seventy-seven cents would have paid about nine hundred and thirty thousand dollars.

For the last six months the railroads' earnings have increased an average of ten per cent. Now, I do not favor this bill or a change in method for another reason. We have just passed through a period of depression and the railroads have had the benefit because they have been assessed upon their gross earnings, and that is one of the reasons urged against this method of specific taxations, because in the hard times, with small receipts they are taxed much less, while the taxes on other property is as much or possibly more. We are now entering upon a period of good times, we are entering upon a period of prosperity as evidenced by the business reports, the bank clearings, and the receipts of the railroad, and we now come here and we say, we will assess you at your actual value; that means they will pay their exact proportion and no more. Where will we make up the losses we have sustained in the last few years of depressed times? If we continue the system of specific taxes the railroads then will pay more than their fair share and will make up for the benefits derived during the last few years. There is equalization.

The Commissioner in 1895 in his report says, on page 5, of the preamble, or whatever you are a mind to call it, speaking of the methods of taxing railroads in the various states, says: "The agitation of the public mind about railroads a few years ago was to encourage their building." For we all know personally from 1867 to 1891 our people were soliciting the

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construction of railroads, they were contributing acres out of their farms, and villages and cities in this State were bonding themselves to create bonuses to induce railroads to come into their cities and villages to give them an outlet. Our fathers subscribed ties, subscribed labor in grading and did everything within their power to promote the building of railroads. That time has gone by and now we seek to get after them; we seek to pull down, if you please, the work our fathers built up and sacrificed themselves to do. I believe in going just far enough to demand that the railroads and not the railroads alone, but every dollar's worth of property in the State should bear its just and fair proportion of the public burden.

That is fairness, that is equitable.

"The agitation of the public mind about railroads a few years ago was to encourage their building. Valuable property was donated to influence the locating of lines, and large sums of money were given by individuals and voted by municipalities to aid in their construction. The conditions have changed. The railroads have been built, and the interest of the public now in railroads is on the rates they charge and the amount of taxes they pay; whether the one is reasonable in comparison with the expense attending transportation, and the other is equitable in comparison with other taxed property. To arrive at a correct solution of this complicated problem will take diligent study and the experience of years. Many methods for taxing railroads are in force in the different states, any one of which can be so adjusted as to place the amount of taxes such property ought to pay in an equitable and just proportion to that of other property. In our system of taxing railroads the tax can be raised or lowered as justice demands by increasing or decreasing the rate of per cent on gross receipts. And if on assessed valuation, the same as other property, the tax can be increased or decreased by increasing or decreasing their assessed valuation."

"Whether the taxes are too high or too low in this State is a question for the Legislature to decide. This State's method of taxing gross earnings may not seem equitable when one or two years are considered, for a year of hard times would make low railroad taxes when other property might pay as much or more than in prosperous years. Railroad taxes, when computed on gross earnings for a term of years, compare favorably with taxes levied under any other method of railroad taxation, or with the amount of taxes paid by other property which is assessed on cash valuation. The reason for this is that the cash valuation of a railroad is fixed by the amount of its earnigs taken for a term of years, regardless of the cost of construction. In short, the market value of a railroad depends upon its past, present and prospective earnings."

Those are the words of Commissioner Billings. Now, see what the receipts to this State would be if the railroads were assessed upon the methods imposed in Indiana. I made a computation and I find their value would be $94,000,000. If they were assessed in the same proportion as the property in this State is assessed, their assessed value would be $52,734,000, and if they paid taxes on that at the rate other property pays,—that other assessed property paid their taxes, they would pay $1,033,588.43. Now that includes all these items, in the general items which I believe ought not to be given there. Strike that out and they would pay less on that basis which I submit is fair and just, in exact

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proportion with other property in the State, they would pay less than the tax produced by the Merriman bill. I am not charging now any body on this floor with promoting this bill for the purpose of reducing the tax on railroads. I believe the bill is promoted from just and honest motives; from an honest belief that the railroads of this State are not paying their just and fair proportion, and I am not here to say that they are, but I desire to give the figures in getting at some basis for making a comparison.

Now, let's see how the tax is distributed over the State. The other day when my resolution was put, the farmers almost to a man opposed it. I was very much surprised at it. At that time I didn't have the figures at my hand. To draw the point fine I have them now.

The real property of the State at its cash value of 1895 was $1,086,628,998. It was assessed at $805,553,976, or 74.5 of its true value.

Mr. Crippen:

Will the gentleman from Kent permit me to ask him one question,—From the counties where you have the figures for the actual value.

Mr. Adams:

You will find it on page 36 report of the '96 State Tax Statistician. I feel a stigma going around the House. It comes from the source that read these very figures last winter and we were asked to give them credit. If they were correct then, how does it come that they promoted a little mirth at this time?

Now, the personal property of this State is valued at its true value. I speak now not of all personal property of the State at its true value, excluding exemptions. Its true value was $618,584,983.55. Its assessed value was $140,455,965.25, assessed at .227 per cent of its true value; where is the personal property located in this State? Is it on the farm? Does it consist of cows and calves and horses or is it in the city, consisting of stocks and bonds and mortgages, and merchandise stocks? Why does the farmer stand up like a hedge fence and prevent that personal property from being placed upon the tax roll, and making it pay its fair share of the public burden? Answer me that question. Did we ever have uniform and equal taxation? Let's have equal taxation. Let us make every kind of property bear its share of the public burden.

I oppose this bill for another reason. It takes but a small bite out of the apple. We are here to pulverize and digest the entire apple. Our people have been taught to pray for equal taxation. We come here at the command of the Governor of this State; we come here under a prayer from the people of this State.

Mr. Adams submitted the following tables as part of his speech and illustrative of the Indiana law:

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INDIANA—TAX COMMISSION WAS CREATED IN 1891.

Year.	Value of farm property.	Value of city property.	Value of personal property.	Value of telegraph, telephone, and sleeping car property.	Value of railroad property.	Value of all taxable property.
1876	$458,320,435	$176,792,515	$198,333,157	$130,846	$30,362,031	$877,380,958
1886	381,645,766	154,245,744	224,899,516	434,785	61,314,078	822,089,889
1890	377,276,332	176,661,412	236,831,676	698,672	66,206,295	857,674,387
1891	529,537,587	209,062,736	293,745,534	1,871,012	161,089,169	1,255,256,038
1894	540,676,155	302,705,445	291,085,815	5,513,965	157,125,085	1,295,106,415
1896	535,745,991	309,014,124	287,091,096	5,953,701	154,836,265	1,292,641,237
	Per cent of all taxable property.					
1876	53.82	19.99	22.60	.04	3.58	
1886	46.42	18.77	27.29	.05	7.46	
1890	44.07	20.52	27.61	.08	7.72	
1891	42.19	21.43	23.43	.12	12.83	
1894	41.75	23.28	22.31	.43	12.13	
1896	41.46	23.91	22.21	.44	11.98	
	Increase in 20 years.					
Total	$77,425,556	$132,221,609	$88,757,390	$5,822,855	$124,474,234	$415,260,279
Per cent	16.85	74.79	44.76	4,450.10	409.96	47.33
	Increase in 10 years.					
Total	$154,100,235	$154,768,380	$62,691,580	$5,518,916	$93,522,187	$470 610,348
Per cent	40.39	100.33	27.93	1,269.30	152.85	57.25

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State.	Year.	Miles in state.	Gross receipts from operations in state.	Gross operating expenses in state.	Total capital stock paid in.	Gross earnings per mile.	Total indebtedness, funded and unfunded	Taxes paid to state.
Georgia	1896	5,001.41	$18,458,497 95	$13,188,336 28		$3,498 38		$2,313,917 46
Ohio	1896	8,668.91	74,720,707 11	49,790,535 43		8,115 90		2,145,202 45
Illinois	1895	10,471.98	76,993,579 00	48,191,558 00		7,282 67		1,570,256 14
Iowa	1896	6,577.09	33,355,823 63	23,735,653 59		4,728 34		1,087,194 40
Minnesota	1897	6,096.35	26,600,005 00	19,555,969 00		6,013 46		2,060,075 20
Kansas	1897	8,852.80	25,331,786 77			2,886 81		874,436 26
Connecticut	1897	1,004.15	36,353,229 88	*10,905 47		15,713 96		
Rhode Island	1897	503	38,598,929 01	Not given.		15,078 90		Not given.
Kentucky	1897	3,046.87	16,706,185	Not given.		5,485 28		Not given.
Virginia	1897	4,449 05	49,783,387 48	†3,706		5,010 00		
Georgia	1897	5,374.82	18,305,057 82			3,405 71		(1896)
Massachusetts	1897	2,113.31	74,866,480 00	†11,079 20		15,845 00		3,658,891 00
Alabama	1897	3,512.68	13,730,110 79	†2,577 82		3,672 92		1,578,317 07
Indiana	1897	6,746	42,280,213 18	35,130,736 10		6,678 74		‡2,250,000 00

* Per mile. See report, p. 93.
† Per mile.
‡ About.

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We came here expecting the plans and specifications of a barn to be submitted, but when we get here we are confronted with the plans and specification of a chicken coop.

Mr. Lusk:

Are you going to vote for or against this bill?

Mr. Adams:

If I should vote my convictions I should vote against the bill. Nine times out of ten I believe the man lasts the longest who will vote his convictions, but I am afraid this is the tenth time.

Mr. Atkinson:

May I inquire how long your remarks will last? I only do it with reference to the convenience of the members as to dinner.

Mr. Adams:

I am just about through. I offered a resolution for the purpose of asking that the plans for the barn be submitted that we might act upon them as the people prayed, but we have not succeeded as yet in getting them. I have confidence, and I hope and pray that we may be permitted to do the work our people sent us here to do before we leave. I had hoped that we might take this question under consideration and stay here, if necessary, all summer, until we had digested, solved and settled it. I believe that would be satisfactory to the people of the State and permanent, and nothing short of that will prevent agitation, dissatisfaction, inequity and robbery, to use the words of my friend.

The motion to strike out all after the enacting clause did not then prevail.

Mr. Zimerman:

I move that the committee arise.

Which motion prevailed.

The Speaker called the House to order.

The committee of the whole have had under consideration the following:

House bill No. 1 (file No. 16), entitled

A bill to provide for the assessment and levy of taxes upon the property of railroad companies, express companies, telegraph companies and telephone companies and the collection thereof, and the appointment of a State Board of Assessors to make such assessments and levy, and defining the duties of such board, and the compensation of its members, and to repeal section 33 of act number 42 of the laws of 1846 as amended by act number 179 of the laws of 1893, and section 31 of act number 113 of the laws of 1846 and the amendments thereto, and all other acts or parts of acts whether contained in special acts under which any of the companies whose property is to be assessed under this act shall have been incorporated or under the general railroad law and the amendments thereto, or in the act for the incorporation of union railroad stations and depot grounds, or in any other law of this State so far as such acts or parts of acts are inconsistent with this act and no further;

Have made sundry amendments thereto, and have directed their chairman to report the same back to the House, asking concurrence therein, and recommend its passage.

A. J. Weier,
Chairman.

Report accepted and committee discharged.

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On motion of Mr. Atkinson,

The House concurred in the amendments made by the committee to the bill and it was placed on the order of third reading.

Mr. Stewart moved that there be a call of the House.

Which motion prevailed.

PROCEEDINGS UNDER THE CALL.

The roll of the House was called by the Clerk, and the following members reported absent without leave: Messrs. Otis and Petrowsky.

On motion of Mr. M. G. Moore,

Mr. Otis and Mr. Petrowsky were excused from the operation of the call.

Mr. Chamberlain moved that the rules be suspended and that

House bill No. 1 (file No. 16), entitled

A bill to provide for the assessment and levy of taxes upon the property of railroad companies, express companies, telegraph companies and telephone companies and the collection thereof, and the appointment of a State Board of Assessors to make such assessments and levy, and defining the duties of such board, and the compensation of its members, and to repeal section 33 of act number 42 of the laws of 1846 as amended by act number 179 of the laws of 1893, and section 31 of act number 113 of the laws of 1846 and the amendments thereto, and all other acts or parts of acts whether contained in special acts under which any of the companies whose property is to be assessed under this act shall have been incorporated or under the general railroad law and the amendments thereto, or in the act for the incorpoartion of union railroad stations and depot grounds, or in any other law of this State so far as such acts or parts of acts are inconsistent with this act and no further;

Be put on its immediate passage;

Which motion prevailed, two-thirds of all the members present voting therefor.

Mr. Zimmerman demanded the previous question.

The demand was seconded.

The question being shall the main question be now put,

The same was ordered.

The question being on the passage of the bill,

The bill was then read a third time and passed, two-thirds of all the members elect voting therefor, by yeas and nays, as follows:

YEAS.

Mr. Adams	Mr. Dudley	Mr. Oberdorffer
Allison	Eikhoff	O'Dett
Alward	Fleischhauer	Pearson
Anderson	Foote	Peek
Atkinson	Foster	Perry
Babcock, C. G.	Fuller	Peters
Babcock, H.	Gibson	Phillips, C. C.
Bates	Gillam	Phillips, M. F.
Belknap	Goodell	Powers
Bemis	Goodyear	Putney
Billings	Graham	Reed
Bricker	Green	Savage

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Mr. Bryan	Mr. Gustin	Mr. Sawyer
Buskirk	Hammond	Scully
Cahoon	Herrig	Shepard, F. M.
Caldwell	Hofmeister	Shepherd, F.
Camburn	Jackson	Shisler
Campbell	January	Stewart
Chamberlain	Kelly	Stoneman
Clark	Kerr	Tefft
Clute	Kimmis	Van Camp
Coad	Lusk	Vought
Colvin	Madill	Washer
Connors	Marsilje	Weier
Cousins	Mayer	Wetherbee
Crippen	Miller	Whitney
Davis	Molster	Widoe
Dickinson, J. H.	Moore, E. W.	Wing
Dickinson, L. D.	Moore, M. G.	Zimmerman
Donovan	Niedermeier	Speaker

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NAYS.

Mr. Harris	Mr. Rulison	Mr. Smith

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The question being on agreeing to the title,

Mr. Gillam moved to amend the title by striking out in line 3, the word "appointment," and inserting the words "designation and election" in lieu thereof.

Which motion prevailed.

The title as amended was then agreed to.

Mr. Smith moved to discharge the committee of the whole from the further consideration of

House bill No. 2 (file No. 17), entitled

A bill to provide for the assessment and levy of taxes upon the property of railroad companies, express companies, telegraph companies, and telephone companies;

Which motion prevailed.

On motion of Mr. Smith,

The bill was laid on the table.

Mr. Gillam:

I move that the committee of the whole be discharged from the consideration of all bills now pending on the general order.

Mr. Kelly:

I hope that motion will not prevail. I do not think it is time to be hasty in matters of legislation. We are about to adjourn and go home for election then we will be back here to take up any matter that may be before this House. It seems to me that the proper place to take them up would be in the committee of the whole. I have a bill in that committee that I desire to be considered by this House. It has nothing to do with the bill passed, it is a bill that has been urged by a great many people of this State and I feel that it ought to have the consideration of this House. I have no objection to the gentleman taking from this committee any bill that he may personally be interested in, but the bill I have brought here and presented to this House in good faith I ask at least of having the

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privilege of the consideration of the House upon it. I will guarantee that it will not take over a half an hour of the time of this House to consider it, but I do ask for that consideration and I hope it will be given. I hope the gentleman will withdraw his motion, if he does not I hope the House will vote it down.

Mr. Gillam:

I will withdraw my motion.

Mr. Davis moved that the House adjourn,

Which motion prevailed, and

The Speaker declared the House adjourned until 7:30 o'clock p. m., on Tuesday next.

Lansing, Tuesday, April 5, 1898.

The House met pursuant to adjournment and was called to order by the Speaker.

Roll call: not a quorum present.

Absent without leave: Messrs. Anderson, Atkinson, Babcock, C. G., Babcock, H., Bates, Bemis, Bricker, Buskirk, Caldwell, Campbell, Clute, Colvin, Connors, Davis, Dickinson, J. H., Donovan, Dudley, Eikhoff, Foster, Fuller, Gibson, Goodyear, Graham, Gustin, Herrig, Hofmeister, Jackson, Kerr, Lusk, Madill, Marsilje, Miller, Moore, E. W., Moore, M. G., Niedermeier, O'Dett, Pearson, Peters, Petrowsky, Reed, Savage, Scully, Shepherd, F., Smith, Stoneman, Van Camp, Vought, Washer, Weier, Whitney, Widoe.

Mr. Cousins moved that the House adjourn;

Which motion prevailed, and

The Speaker declared the House adjourned until 10 o'clock a. m., tomorrow morning.

Lansing, Wednesday, April 6, 1898.

The House met pursuant to adjournment and was called to order by the Speaker.

Prayer by Rev. Mr. Swift.

Roll called: quorum present.

Absent without leave: Messrs. Atkinson, C. G. Babcock, H. Babcock, Bates, Bemis, Bricker, Clute, Connors, Davis, J. H. Dickinson, Donovan, Eikhoff, Foster, Fuller, Gibson, Kerr, Madill, Miller, M. G. Moore, Niedermeier, O'Dett, Peters, Petrowsky, Scully, Smith, Stoneman, Van Camp, Weier, Whitney.

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On motion of Mr. Cousins,

Leave of absence was granted to all absentees for the day.

On motion of Mr. Oberdorffer,

Leave of absence was granted to Mr. Bates indefinitely on account of sickness.

On motion of Mr. Campbell,

Leave of absence was granted to Mr. Miller indefinitely on account of the death of his father.

By unanimous consent,

Mr. Zimmerman offered the following:

Whereas, Our distinguished fellow member, George L. Lusk, at the recent election was re-elected by a largely increased majority to the honorable and responsible office of city recorder of the city of West Bay City, which office he has so ably filled for a number of years; be it

Resolved, That the members of this House of Representatives hereby extend to him our hearty congratulations and felicitations;

Which was unanimously adopted.

Mr. Harris:

I rise to a question of personal privilege; to correct the stenographic report that occurs on page 131; it is in the quotation at the end of the speech, the line in poetry. I do not know whether the party who composed this verse which I quote from is living or dead. If he is living and should see this as it is written in the Journal, I am afraid it would kill him; it destroys the whole sense and certainly there is no sense or poetry in it. In justice to him, and also to myself I wish the correction to be made. I will read it as it is in the Journal:

"Right is right, since God is God and right today will win.
Doubt will be desolation, and to falter would be sin."

The last line especially is very bad poetry, I think I could do better than that myself, though no poet. This verse should read like this:

"For right is right since God is God, and right the day will win;
To doubt would be disloyalty; to falter would be sin."

Again, on page 132 (and I do not blame the stenographer for getting somewhat mixed on that page), down at the bottom, on page 132, I was explaining why I should vote against this bill, and that was all that I meant by it. I know parties were claiming that I was going to vote under pressure for the bill, and I gave it as a reason that I was a Republican. There is no sense in that. I was not stating that I was under any pressure to vote for the bill. I distinctly stated I was not; that other parties were voting under pressure and not myself. I was giving it as a reason why I was not under pressure, and I did not think that any vote that I gave on this would be apt to disrupt the Republican party.

Then, again, in the lines following: "That's all right. I expect to be flopping in the rear, anyway." I don't think I said any such thing; for I do not expect to be in the rear. I am always at the front, and I wish the correction to be made.

The Speaker:

The corrections will be made.

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Mr. Foote moved to discharge the committee of the whole from the further consideration of

House bill No. 4, entitled

A bill to repeal act No. 42 of the Legislature of Michigan, passed at the annual session of 1846, entitled "An act to authorize the sale of the Central Railroad and to incorporate the Michigan Central Railroad Company," approved March 28th, 1846, and to designate a board to adjust any claim for damages on account of said repeal, and to authorize the incorporation of said railroad company under the general railroad laws of this State, for the purpose of subjecting said railroad company to the general railroad taxation laws of this State, and all other general laws.

Mr. Foote:

I make this motion in order that the bill may be laid on the table. As I understand, the bill that we have passed contains a provision which makes this bill unnecessary.

The motion then prevailed.

On motion of Mr. Foote,

The bill was then laid on the table.

Mr. Kelly offered the following:

Whereas, We have just learned of the death of the Hon. John W. Moon, of Muskegon, at one time a member of the Legislature of Michigan and a Representative in Congress from the Ninth Congressional District; and

Whereas, The loss to this State cannot be overestimated on account of the services rendered in the halls of legislation in the past and his prominence and activity in the business affairs of the State at the time of his taking away; therefore, be it

Resolved, That we deeply regret his untimely death;

Resolved, That Michigan has lost a valued citizen by reason of his death; that the services rendered to his State are such as to be commended and remembered by the people of Michigan; that the State will be the loser to quite a degree on account of his prominence in business concerns;

Resolved, That we express our sympathy to the family of the deceased in their great bereavement;

Resolved, That the clerk is hereby instructed to send an engrossed copy of these resolutions to the family of the deceased.

Mr. Kelley:

I do not desire to take up any of the time of this House in discussing the merits of this resolution. We all know that Mr. Moon has served in the Legislature of this State, in the Senate, and has also been a member of Congress from the Ninth Congressional District. He is a man who has been prominent in business and in the political affairs of this State, and his death, it seems to me, is to be regretted by everybody. I therefore offer this resolution and ask it be adopted unanimously by a rising vote.

The resolution was then unanimously adopted.

Mr. Chamberlain:

I rise to a question of privilege. On the 30th day of March a resolution was introduced and passed unanimously by this House requesting

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the State printer to try and mend his ways and to make the copy he received from the reporters just as sent to him from them.

I discover in the record of the next day a misquotation relative to myself that I desire to correct. If they were only slight inaccuracies I should pay no attention to them, but when I am misquoted to the extent of three million dollars I think the record ought to be straightened out. I desire to say in this connection that in my judgment, and as near as I can ascertain the mistake was not made by the stenographers, but was made by the State printer. On page 113 of the record of March 31st, I am charged by the journal with saying that the committee or commission appointed by the Atkinson bill needed no secretary. What I did say was that they should have a secretary, not for the term of two years, but to serve during the pleasure of the board. I made that amendment to the bill at the time, and the amendment was concurred in by the House.

On page 117 of the same date appears what it is alleged I said in reply to a query from the gentleman from Montcalm, Mr. Bemis, what amount could be raised by a specific tax. The Journal in question has me state the amount to be received would be $333,000. What I did say was this, and I quote from the same figures I used at that time: "The Michigan portion of the capital stock of the railways in this State was $151,000,000; the Michigan proportion of the bonded indebtedness of these same railway companies was $182,000,000, a total of $333,000,000. At one per cent specific tax, provided by the bill which I introduced, it would raise a revenue of $3,330,000. And the State printer places it in such a way that there is a mistake of three millions, and I move the Journal may be corrected in those particulars.

The motion to correct the Journal prevailed.

MOTIONS AND RESOLUTIONS.

Mr. Gillam offered the following:

Whereas, The present Legislature of Michigan, at its regular session, passed a law (Public Act No. 217 of 1897) providing for the issue by the Secretary of State of a Monthly Bulletin, "showing the mortality of the State in detail, the prevalence of important causes of death, and such other information as shall be of public interest and sanitary value"; and

Whereas, The Michigan Monthly Bulletin of Vital Statistics published by the Secretary of State in accordance with the above named act is of great importance to the public health service of this State, as indicated by the subjoined copy of resolutions passed by the State Board of Health, and, in fact, forms an essential part of the public health service of Michigan as now constituted; and

Whereas, Said Michigan Monthly Bulletin of Vital Statistics is not admitted to the mails as second-class matter, a privilege enjoyed by precisely similar publications of other states issued by their State Board of Health, for the reason that the Michigan Bulletin is published by the Michigan State Department, instead of by the Michigan State Board of Health, as authorized by this Legislature by law; and

Whereas, It is the undoubted right of the State of Michigan to regulate her internal affairs, including the collection and publication of mortality statistics, in such manner and by such agencies as may be deemed proper

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by the Legislature assembled, and in the carrying out such will of the Legislature the people of Michigan are entitled to all of the rights and privileges from the general government enjoyed by the people of any other state; therefore be it

Resolved, (the Senate concurring) That the Legislature of the State of Michigan requests that the same privileges be accorded to its Monthly Bulletin of Vital Statistics, published by the State directly through the Department of State, as would be enjoyed if it were published by the State Board of Health of this or any other State, and that the Senators and Representatives of this State in Congress be requested to use their earnest efforts to secure proper recognition of the rights of Michigan in this respect. And that marked copies of the Journal containing these resolutions, shall be mailed by the Clerk of this House to our Senators and Representatives aforesaid.

Following is a copy of the resolutions of the State Board of Health referred to above:

At a special meeting of the Michigan State Board of Health held in Lansing, February 25 and 26, 1898, the following preamble and resolution were unanimously adopted:

Whereas, The Michigan Monthly Bulletin of Vital Statistics, issued by the Department of State, is of great usefulness to this Board, and to the health officers of Michigan, and performs the same service in the public-health work of Michigan that the Bulletins issued by the State Boards of Health of certain other states perform; therefore, be it

Resolved, That it is the sense of the Michigan State Board of Health that the Michigan Monthly Bulletin of Vital Statistics ought to be legally entitled to be admitted to the mails as second-class mail matter, and enjoy all of the rights and privileges belonging to like publications issued by other states.

Pending the order that the resolution lie over one day under the rules,

On motion of Mr. Gillam,

The rules were suspended, two-thirds of all the members present voting therefor, and the resolution was put upon its immediate consideration.

Mr. Gillam:

The resolution speaks for itself, as we all know at the last session of the Legislature the publication of Vital Statistics was authorized by law. The chief clerk of Vital Statistics of this State informs me that those bulletins are not admitted to the mail as second-class matter, as similar publications issued by other states are admitted.

The principle of the injustice to the State of Michigan lies in the fact that second-class matter is admitted to the mails at the rate of one cent per pound each publication, and if this resolution is passed and the spirit of it is heeded by the postal department at Washington these publications will be admitted to the mails at the rate of one cent per pound, the same as newspaper rates. It is certainly the right of the State of Michigan to have such publications admitted upon the same ground and in the same manner that prevails with similar publications in other states.

Mr. Wetherbee:

I understand the ruling of the postoffice department in this matter is purely a technical ruling; that it was evidently the intention of Congress when the act was passed under which this sort of matter is admitted to the mail at one cent per pound, that such publications as are now

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printed by the department of vital statistics of the State of Michigan should be admitted under that ruling.

The United States postal service has seen fit to rule against the admission of this matter to the mails in that form. An effort is being made to have a slight change made in the statute, perhaps at this session of Congress, and it will certainly be done, as there is certainly no question about the real purpose of the act. I hope that this resolution will pass, as I believe it is in the form of a petition from this State requesting that we have the same rate as is now granted to nearly every other state in the Union by the postoffice department.

Mr. Gustin:

I would like to ask the question, would it be possible to, without spoiling its effect so as to include our Journal, so that it may be sent at the same rate? I understand when our House Journal goes out through the postoffice it is charged the ordinary rate, not newspaper rates, as second class matter. If that resolution can be amended to include the Legislative Journal, I would like to propose an amendment.

The Speaker:

It seems to me the amendment would not be germain.

Mr. Gillam:

I don't think it would be possible to include the House Journal in this resolution, for the reason that it is not a regular publication; it is only published daily when the Legislature is in session; therefore, it would not be admitted by the rules of the postoffice department as second-class matter.

The resolution was then adopted.

Mr. Kelly offered the following:

Resolved, That Wm. Barrett of West Bay City is hereby entitled to 14 miles travel, being a correction of a former report allowing him mileage;

Which was adopted.

The Speaker:

There are some bills on the general order. What is the pleasure of the House? A motion to go in committee of the whole if the House desires it, or if the House does not desire it, a motion to take a recess would be in order.

On motion of Mr. F. Shepherd,

The House took a recess until 2 o'clock this afternoon.

AFTERNOON SESSION.

2 o'clock p. m.

The House met and was called to order by the Speaker.

Roll called: quorum present.

The House resumed the regular order.

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PRESENTATION OF PETITIONS.

No. 13. By Mr. Bryan: Petition from Joseph Girardin, Sr., and 54 other citizens of the second Representative district of Wayne county, praying for the passage of House bill No. 1, relative to taxation of corporations.

Referred to the committee on Revision and Amendment of the Statutes.

No. 14. By Mr. Bryan: Petition of Norman Roberts and 53 other citizens of the second Representative district of Wayne county, praying for the passage of House bill No. 1, relative to taxation of corporations.

Referred to the committee on the Revision and Amendment of the Statutes.

MOTIONS AND RESOLUTIONS.

Mr. Peters offered the following:

Whereas, Some of the members of this House have been triumphantly elected to the responsible office of supervisor in their several townships at the late election; therefore,

Resolved, That we tender the congratulations of the House to all such successful members and at the same time tender our condolence to any unsuccessful member of this House;

Which was adopted.

On motion of Mr. Chamberlain,

The House adjourned.

Lansing, Thursday, April 7, 1898.

The House met pursuant to adjournment and was called to order by the Speaker.

Prayer by Rev. Dr. Fisk.

Roll called: quorum present.

Absent without leave: Messrs. Buskirk, J. H. Dickinson, Foster, Fuller, Petrowsky and Van Camp.

On motion of Mr. Whitney,

Leave of absence was granted to all absentees for the day.

By unanimous consent, Mr. January offered the following:

Whereas, The Legislature has been called together in this extra session to consider nominally but one question; the equalization of taxes, notably that of railroad, telegraph, telephone and express companies, with other property; and,

Whereas, The House after due consideration has seen fit to and has passed with almost a unanimous vote the tax bill as proposed by his Excellency, the Governor, as amended by the House committee on the

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Revision of the Statutes and as also amended in the committee of the whole and upon the floor of the House; and,

Whereas, The House having performed supposedly all the duties for which it was called together, except the completion of said tax bill, when the same shall have been passed by the Senate and returned to the House; and,

Whereas, It is apparent to this House in extra session assembled, that there are other and many vital questions that might be appropriately considered while now in session awaiting the action of the Senate on said tax bill; and,

Whereas, One of the most important of these is the abolition of monopolies, pools and trusts existing in this State, to the detriment of commercial, manufacturing and other enterprises; and,

Whereas, It is a recognized fact that an anti-pool and trust law, if enacted, would be of equal, if not greater, benefit to the people of the State of Michigan than the so-called equal taxation bill recommended by his Excellency, the Governor, and recently passed by this House; and,

Whereas, The people of the State for years have been and are still crying "Down with trusts and monopolies," and would today, if asked to petition (as they were asked to petition in the matter of the recent tax bill), respond as of one accord in favor of this Legislature, in extra session assembled, passing an anti-pool and trust bill; and,

Whereas, It has been demonstrated in a number of states in the Union that pools and trusts can be, and have been, controlled by state legislation (this being notably true in the State of Missouri, where an anti-pool and trust law has worked effectively and to the entire satisfaction of the people of that state); and,

Whereas, We believe his Excellency to be cognizant, not only of the good effect of such a law in other states, but of its urgent necessity in this State; therefore,

Resolved, That his Excellency, the Governor, be and is hereby respectfully requested, at his earliest possible convenience, to recommend by special message to this Legislature, in extra session assembled, that it take up, consider and pass an anti-pool and trust bill; and further

Resolved, That the Clerk of the House be and he is hereby instructed to transmit to his Excellency, the Governor, a certified copy of the above resolution.

Which, after being read, was

On motion of Mr. January,

Laid on the table.

Mr. Lusk moved that there be a call of the House.

Which motion prevailed.

PROCEEDINGS UNDER THE CALL.

The roll of the House was called by the Clerk, and the following members reported absent without leave: Mr. Zimmerman.

On motion of Mr. Lusk,

The Sergeant-at-Arms was despatched after the absentee.

The Sergeant-at-Arms announced Mr. Zimmerman at the bar of the House.

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The Speaker directed that Mr. Zimmerman be admitted within the bar.

The Speaker:

The Chair will state to the gentleman from St. Clair that at a regular and ordinary session of the Legislature, when a member is brought before the bar of the House charged with being absent without leave as you are, they are very often censured severely, and sometimes heavy penalties are imposed, and occasionally they are remitted.

This is an extraordinary session of the Legislature, and at the opening I said I wished every member would be in his seat at the time of the roll call.

Business interesting three millions of people is now before this House, and what excuse have you to offer for being absent without leave under these circumstances?

Mr. Zimmerman:

I realize at this time that this is a most extraordinary session of this House, and more so than ever before. I was called to the Senate by perhaps a manufactured message on the part of some member, which I did not realize until this moment. I promptly responded and the result is—

The Speaker (interrupting):

The gentleman is out of order. You are charging that a Senator manufactured a message; that is unparliamentary.

Mr. Zimmerman:

I think it would be unkind in me to charge a Senator with manufacturing the dispatch I received this morning. I think I will charge some member of the House with it.

The Speaker:

That is unparliamentary.

Mr. Gillam:

It is not surprising that the distinguished member from St. Clair, who is now before the bar of this House and under arrest, has gotten himself into a difficulty. He stands here charged with a grave offense, one of the most serious certainly that a member of this body could commit, that is to say a breach of confidence. It was with deep surprise, mingled with feelings of sorrow and pity that his fellows members learned that an associate, whom we had every reason to believe we could repose the utmost confidence in, and whom we had come to love and esteem for his many excellent traits of heart and mind, one whose future seemed to be strewn with naught but roses and bright prospects, should so far forget himself and the obligations of friendship as to commit so heinous an offense as that of matrimony, without taking some of us into his confidence and disclosing the tender secret to those who have stood shoulder to shoulder with him in all the trials and tribulations, the joys and successes of the life of a member of the Michigan Legislature.

We helped him loyally and well to save the fish that inhabit the waters of the raging St. Clair from the avarice of the commercial fisherman.

Did we not aid him to plug the abandoned salt wells of St. Clair county; that was not all wool nor a yard wide by a long ways.

Have we not given him the best assistance of which we were capable on all occasions to enable him to establish an undying reputation as a wise statesman and a great man among the truly great? How signally

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we have failed, is for him and not for us to say. And this is our reward for our unselfish interest in his behalf.

Oh, ingratitude! Thy name is Zimmerman.

Did he consult us as to the advisability of taking this all-important step in life?

Did he ask for a suspension of the rules or unanimous consent of this House?

Did he ever intimate by word or look or act that he contemplated embarking upon such a perilous adventure as that of matrimony, which is to end only with life itself?

To make the offense still more unpardonable, he took advantage of our active engagement in the peaceful pursuits of life, while we were not on guard, and fixed the day for the crowning act of this deep laid conspiracy at a time when he must have assumed that none of us would know aught of its consummation until it was too late. But a higher power than his was to intervene, and it now appears plain, Mr. Speaker, that he who rules the destinies of men and nations directed that this extraordinary session should be called, not to pass a railroad tax law, but to hold up to the light of day the conduct of this member in all its enormity.

What shall we do with him? He who has so recently graduated from the ranks of those who sit on mossy banks writing home-made verse (and very homely at that) to their mistress' eye-brows in the summer season, and who in winter seasons consume whole barrels of midnight oil and tons of fuel sitting up, at the expense of a prospective father-in-law.

I confess, Mr. Speaker, his conduct is beyond my comprehension or my understanding.

I recommend him to your mercy. Do with him as you will; take his money, but spare his life; but for humanities' sake, for the sake of the sweet woman who has placed her trust and life in this man's hands, for the sake of members of the Legislature who are far from friends and home, and who do not like to walk, I beg of you do not take from him his railroad passes.

The Speaker:

The plea of the gentleman from Alcona is not applicable. In the good book that I have before me here, you will find an account of a man who prepared a large feast and invited a number of guests to attend the feast, and they all of one consent desired to be excused; and among the many excuses offered one was, "I have married a wife and therefore I cannot come." I have always thought that was a good excuse, that it was entitled to very much consideration, but the gentleman from St. Clair does not offer any excuse of that character. Why? Because his charming wife is sitting here in his seat and he has not only neglected his wife, but has gone roaming about this Capitol building and has been neglecting the business of the State.

Had you said, "I have married a wife and I cannot attend this session," I would have discharged you immediately; but there are no extenuating circumstances in this case whatever, and I feel like dealing summarily with you; but I always sympathize with a man in trouble, and particularly when under arrest, and I will take the sense of the House on this question.

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Mr. Chamberlain:

Mr. Speaker, when the Clerk of this House at the close of the roll call under the call of the House, announced that all the members were present except the distinguished gentleman from St. Clair, Mr. Zimmerman, my heart was at once filled with sympathy and pity, because I realized that only a few days ago he assumed matrimonial ties, and therefore I was not at all surprised that he should have absented himself from his post of duty as a member of this body; but when he appears at the bar of this House under arrest and states that he had gone to answer a trumped-up message in some other part of this Capitol, deserting both his beautiful and blushing bride and the business of the House itself, the situation appears much different, and while before I had thought that he should be extended the kindest forbearance and gererous forgiveness of the House for his absence, his excuse renders that plan of procedure impracticable and impossible; therefore, it would seem proper at this time that the House should pronounce upon the gentleman such a penalty as in its wise judgment will preclude the possibility of events of this kind occurring in the future.

If Mr. Zimmerman had even stated that he was away upon urgent business, or upon an errand for his loved one, or even that he had gone to visit "Billy" French's office, he would perhaps have been entitled to more consideration than he now is.

I am not prepared to say what penalty should be exacted of the gentleman, but leave the House to its wise discretion in connection therewith. And to the gentleman himself, I desire only to add that when he shall have been relieved from his present embarrassing situation and shall have again taken his seat as a member of this body, in behalf of my fellow members I desire to say that we wish him and his a hearty "God bless you," and that peace, happiness, contentment and prosperity may be and reign with him and his through all the bright, happy years that are to come.

Mr. Wetherbee:

I regret exceedingly that this matter has taken this serious phase. I am sure, Mr. Speaker and gentlemen of the House, that nearly every member in this House can sympathize with our brother Zimmerman at this time. I arise for the purpose of pleading for him, and asking the clemency of this House at the present time.

I am sure, gentlemen of the House, if you will look into the face of this young man as we have been wont to do during the last now nearly two years, as we have met him since we became acquainted with him, no man will doubt for a moment that his word is honor and truth every time. When he comes before this House and tells us that he was enticed away in some surreptitious manner, I believe him, and I believe a majority of this House believes him.

I want to add another word to which he would have testified if he had not been interrupted by the Speaker, and that is, while he was being enticed away, those who were guilty of this conspiracy were enticing his wife from him, and we saw her being taken from that door so that she might be taken from her husband, and now these gentlemen who were guilty of this vile conspiracy come before us and ask you to condemn this man for deserting this woman whom they had taken from him.

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I want to say one other thing in his behalf: I do not believe he is a traitor or a coward, who is afraid to face his duty. Recent events must convince every one that he has displayed all the courage and bravery that any man is ever called upon to display. The man who will face the canon's mouth displays no greater courage than our friend Zimmerman displayed when he faced that other circumstance, where possible defeat was placed before him, and the utterances of that lady's voice might have been just as serious upon his future life as the discharge of a canon; and so I say the same quality of courage has been displayed by this young man that would be displayed by the warrior on the field of battle. I do not believe he has shown one single characteristic of a coward. I believe he is ready here now to face his duty.

I regret exceedingly that we have become so wise in this day and generation that we know more—or think we do—than that great law giver, who, under God, gave us the laws which have proven through all the years and generations to be the basis of all our just laws. Moses, in giving the law to the people of God, provided for just such a circumstance as this, and while it is not a law upon our statute books today, it was the law, and it is just as binding upon your consciences, gentlemen of the jury, as any law which we might pass ourselves. Moses, in giving the law to the people, included this provision—and it was passed by a two-thirds majority, and is the law today, so far as your consciences and mine are concerned: "When a man has taken a new wife, he shall not go to war, neither shall he be charged with any business, but he shall be free at home one year, and shall cheer up his wife which he hath taken."

I hope, gentlemen of the House, you will consider this matter carefully; place yourselves as far as you can in the position of my friend here, who did not mean any harm in leaving the House, and who was lead away by the conspiracy of the gentlemen who have been trying to induce you to convict him. Now he stands here for your exoneration.

Mr. Sawyer:

During the regular session of this Legislature I had the pleasure of rooming in the same house with our distinguished friend who has so seriously fallen; I hope I will be justified, therefore, in saying to the Speaker and to the gentlemen of the House that for one I would consent that our distinguished friend should be excused on this occasion providing he would make three promises to the House. It is not to relieve him of his railroad passes; it is not to relieve him by imposing a fine; it is not to punish him by stripes or send him to State Prison, but the terms are easier than those, that I have in mind, and in view of what has occurred it would be entirely proper for our distinguished friend to make. From my experience and knowledge of his habits I desire to say that the first promises he ought to make this House, in view of the fact that he has taken such liberties without the consent of the House, is that he shall from now henceforth cease to use the weed; he shall neither chew nor smoke. He has regretted it often to me, and in fact he has pledged several times he would cease that filthy habit; and now unless he will consent that the lady he has selected and who has consented to marry him may chew plug tobacco and smoke cigaroots with him, I insist that he shall make that promise before he shall be excused by this House.

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The second one is,—and perhaps harder than the other, that he shall give up his club. There shall be no nightly meetings where our distinguished friend shall meet with the club,—the Lord only knows where it is, where it meets or what it is. He shall consent that he will spend his nights not at the club worrying the little woman to death that he has married. He shall see that she does not flatten her nose against the window pane watching his coming up the street at night. He shall resist all temptation in that direction, and shall promise this House and that woman he has married, faithfully, that if he goes to the club she shall go with him.

There is still another thing, and that is not so serious; yet I think it all important. He shall promise the lady that he has wedded, and also this House, that he will never live in a house that has a moveable keyhole in the front door. He shall never dwell in a city where they build the sidewalks so as to end first in the street and then against the side of a house. He shall never live in a town where after 12 or 1 o'clock at night the churches upon the opposite side of the street that have been for years quibbling over their creeds shall bow to each other across the street. He shall consent here and now that he will never travel upon a street where it will be perfectly convenient to find his bed in the gutter. He shall swear to this House and to that little wife of his, that he will never dwell in a community where after 2 or 3 o'clock at night everybody is so familiar and so happy that even the lamp posts will stop him on the highway and embrace him before he gets home.

If he will make these promises I for one would be willing to forgive this offense.

Mr. Colvin:

It has been stated that the lady and gentleman had been parted surreptitiously; there is a law in holy writ which says "Cursed is he who parts man and wife." And I think those who parted them are more guilty than the parties who parted; therefore I ask mercy at your hands. "He who has no mercy shall have no mercy shown him." And I ask that he take into consideration the question of voting for free silver.

Mr. Lusk:

I beg the indulgence of the House for a moment.

The Speaker:

After hearing the speech of the gentleman from Saginaw, Mr. Colvin, the chair is inclined to be more lenient than heretofore. I will now ask the Sergeant-at-Arms to conduct the gentleman to a chair here in front of the clerk's desk for he must be somewhat tired.

Mr. Lusk:

We have listened to a variety of sentiment and many expressions of sympathy and charity; but we turn at the last to the source of all authority for our defense. Article V. section VII. of our constitution makes this declaration: "Senators and Representatives shall in all cases except treason, felony or breach of the peace be privileged from arrest. They shall not be subject to any civil process during the session of the Legislature or for fifteen days next before the commencement and after the adjournment of each session. They shall not be questioned in any place for any speech in either House." Gentlemen of the House, I invoke the strong arm of the constitution to uphold the dignity of my colleague, brother Zimmerman. While his rights have been transgressed upon by some mem-

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bers of this House, we can rely upon our constitution that is infallible, for his defense. And in that perhaps I should be the last one here this morning to favor any defense because my colleague has broken my confidence.

Only last week I sat patiently here during several days of the session investigating and listening to argument in order to properly inform myself in regard to the important questions that were before us, and my colleague was absent without my consent, without my permission and without knowledge on my part of the intent of his heart. Now, fellow members, I think he owed it to our friendship and our association here to consult me on the important mission that called him from us; I am a man of experience along those lines, and would certainly be justified in giving my friend some valuable and significant advice. I didn't know but perhaps, Mr. Speaker, Brother Zimmerman was about to sail for foreign shores; because while as many of his associates on this floor recollect well, during the regular session he declared in our presence that there was no war in Cuba, and during this session that he was willing to recognize the fact that a state of war did now exist there, and I discovered that while he recognized this fact and was willing doubtless to offer his services to the government and to the great cause of humanity, he was yet willing to go down to St. Clair county and discover the possibility of a war in that immediate locality.

"'Tis sweet to love, but oh, how bitter,
To love a girl and then not git her."

My brother, we are glad on this occasion to falicitate our distinguished colleague upon this happy circumstance. We are glad as American citizens, as American freemen to offer our testimony to woman. If there is a nation on earth that is ready and willing at all times to pay tribute to woman kind, it is the American nation. Along all the lines of material progress, invention, professional activity, business life, the American always gallant and always amiable is ready to lend his hand to the encouragement of woman-kind, to open the doors of our colleges to her and welcoming her; opening the avenues of business, opening the professional field where the American woman refined, dignified, enthusiastic has stepped in to fill the most responsible and exalted positions. And so today, as members of this Legislature, we are glad of an opportunity to recognize the attributes of woman. There is no inspiration that is high and holy that does not come from her. There is no man upon the floor of this House but is ready and glad today to recognize the gentle influences of wife and mother. When besetting sins are about us, when temptations assail us, how often we remember the early teaching of a mother who was always true, faithful, kind and just.

"When Eve brought woe to all mankind,
Old Adam called her woe-man,
But when she woed with love so kind,
He then pronounced her woo-man;
But now since in our hearts they dwell,
Our bank accounts fast thinnin',
That ladies are so full of whims
We people call them whim-men."

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And yet as boys we loved them and as young men we adored them, as old men—we'll let brother Colvin answer.

Brother Zimmerman, I have the pleasure and honor at this time to present to you, on behalf of your associates in this House, these beautiful gifts. In words, we have congratulated you upon this auspicious event. Today we bring gifts of silver to express the sentiment that there may be always a silver lining to the cloud of your life. We bring the crystal and anticipate the hope that your lives generally may be crystalized in a good purpose of happiness and of humanity. May you ever remember the friendly greeting of this House on this occasion, and may the pathway of your life be always strewn with flowers.

Mr. Zimmerman:

Mr. Speaker and fellow members, I scarcely know what to say at this time. I am touched with a deep sense of gratitude that I feel, not only for the silver which you have presented me, but for the demonstration of friendship on your part. We shall ever have in our hearts a warm spot for the members of this legislative body. I scarcely know what to say. I have never been so embarrassed before in trying to make a speech or trying to find words expressive of my appreciation. I promise you one and all that Mrs. Zimmerman and myself will ever remember and feel grateful for the friendship demonstrated towards us here today. I did not anticipate such a demonstration. I didn't reveal my intention to even my dearest friends. I had hoped not to take up the time of the House with any such speeches as have been offered in my behalf today. I had hoped that we might quietly come back and mingle with you as if we had always been here; but I realize that your friendship is so great that you have seen fit to tender me your kindnesses and also to my wife. More than this I cannot say; only that when our eyes shall fall upon the presents you have made us today, it will always bring back to us a pleasant recollection of the friendship of the members of this Legislature.

The Speaker:

It seems to be the sense of this House that the gentleman from St. Clair should not be punished, but that he should be rewarded for his misconduct and therefore the Chair acquiesces and discharges the gentleman from St. Clair.

Mr. Lusk:

I forgot to include in this presentation this beautiful vase of flowers, a gift from the "pages" of this House, who appreciate as much as we do, the amiable characteristics of our friend, Mr. Zimmerman.

Mr. Zimmerman:

I should certainly be very ungrateful if I did not include in all I have said, the "pages" of the House, who have been very kind and courteous; and when those young men become men and I live to see them develop into manhood, I shall ever feel it my duty to repay them in some manner for this kindness that the boys have shown me today. Boys, I thank you very much. You have a great future before you. Such a demonstration as this will warm your hearts towards your fellow boys and members of the House.

Mr. Lusk:

This occasion is somewhat unusual and I believe we are justified in making it more so. This union that we celebrate today signifies the union

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of the American people with heart and hand in the great crisis that is now upon us, and I consider it very proper, Mr. Speaker, at this time to ask my fellow members to stand up and join me in singing that magnificent song, "My Country, 'tis of Thee, Sweet Land of Liberty, Of Thee I Sing."

The House having joined in singing the National hymn,

On motion of Mr. Gillam,

All further proceedings under the call were dispensed with.

Mr. January moved to take from the table the following resolution:

Whereas, The Legislature has been called together in this extra session to consider nominally but one question; the equalization of taxes, notably that of railroad, telegraph, telephone and express companies with other property, and

Whereas, The House after due consideration has seen fit to and has passed with almost a unanimous vote the tax bill as proposed by His Excellency, the Governor, as amended by the House committee on the Revision of the Statutes and as also amended in the committee of the whole and on the floor of the House, and

Whereas, The House having performed supposedly all the duties for which it was called together, except the completion of said tax bill, when the same shall have been passed by the Senate and returned to the House, and

Whereas, It is apparent that this House in extra session assembled, that there are other and many vital questions that might be appropriately considered while now in session and awaiting the action of the Senate on said tax bill, and

Whereas, One of the most important of these is that of the abolition of monopolies, pools and trusts existing in this State to the detriment of the commercial, manufacturing and other enterprises, and

Whereas, It is a recognized fact that an anti-pool and trust law, if enacted, would be of equal, if not greater, benefit to the people of the State of Michigan than the so-called equal taxation bill recommended by his Excellency, the Governor, and recently passed by this House, and

Whereas, The people of the State for years have been and are still crying "Down trusts and monopolies" and would today, if asked to petition (as they were asked to petition in the matter of the recent tax bill) respond as of one accord in favor of this Legislature, in extra session assembled, passing an anti-pool and trust bill, and

Whereas, It has been demonstrated in a number of states in the Union that pools and trusts can be, and have been, controlled by state legislation (this being notably true in the state of Missouri, where an anti-pool and trust law has worked effectively and to the entire satisfaction of the people of that state), and

Whereas, We believe His Excellency to be cognizant, not only of the good effect of such a law in other states but of its urgent necessity in this State, therefore

Resolved, That His Excellency, the Governor, be and is hereby respectfully requested, at his earliest possible convenience, to recommend by special message to this Legislature, in extra session assembled, that it take up, consider and pass an anti-pool and trust bill, and further

Resolved, That the Clerk of the House be and he is hereby instructed

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to transmit to His Excellency, the Governor, a certified copy of the above resolution.

In support of the motion that the resolution be taken from the table:

Mr. January:

The occasion is an extraordinary one. I feel that my friend and neighbor, Mr. Zimmerman, won't digress from his duty in this House during the reading of my resolution which as the Speaker has well said interests three millions of people; yet I feel now that my fidelity in trusts has increased to a large extent. That there is one trust, a living trust, that binds together the two parties who have been so kindly remembered by this House and who so thoroughly appreciate the action of the House; that is a trust that ought not to be dissolved. It is a trust, no anti-trust bill should ever oppose. It is a trust that we cherish; and now, Mr. Speaker, since the House has resumed business I hope Mr. Zimmerman will pay attention to my anti-trust bill, a bill that I have asked in this resolution that the Governor send us a special message to consider at the earliest possible day.

Some writer has said trusts in the true sense of the word, as they are interpreted throughout the land, throughout the State, throughout the nation are cancers, industrial cancers, spreading cancers, eating cancers fatal to the life, industry and prosperity of the nation. There has never been a single instance of an organization of a Republican convention when there has not been some resolution passed condemning trusts and monopolies; whether it be democratic or republican, whether it be silver or gold; trusts and monopolies have been condemned by all parties, by all people. The nation has taken it up. The National House has continually in its sessions condemned trusts and monopolies, but very little has been done to abolish them.

Mr. Cleveland in his message, when president, warned the people against them. He stamped them as creating a menace to our industry and a blight upon our nation. He said they could best be handled by state legislation.

Mr. McKinley declared trusts to be an insidious blight and curse that should be stamped from our industrial system, and that he would urge Congress to take up this measure at the earliest possible moment. Each Governor of the State of Michigan, I think since I have been in the State, has said something in his message, not only about railroads and the taxation thereof, but trusts and monopolies as well; that they should be treated and treated seriously.

This extra session was called for the purpose of equalizing taxation. Can taxation be equalized when pools, trusts and monopolies are robbing one class of citizens from earning a profit in their manufactured goods or output while these rich monopolies are making all the profits and at the same time avoiding taxation?

Many of the states of the Union have attempted in various ways to control trusts and monopolies, but none to my knowledge, and I have made considerable research, have been so successful as the state of Missouri. In that state an anti-pool and trust bill was passed in 1889 and amended in 1891, in 1895 and in 1897. Today Missouri is recognized as having the best law on the subject of any state in the Union. The supreme court of that state has passed upon the law and the same is being successfully enforced.

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I beg the indulgence of the House while I read a communication from the secretary of state.

State of Missouri—Department of State.
City of Jefferson, April, 4th, 1898.

Dear Sir—In reply to your telegram of Mar. 3d I would say that the anti-pool and trust law of Missouri has been successful in breaking up pools and trusts in this state with the exception of those which come under the head of interstate commerce. These must be reached by national legislation. I have had a good deal to do with the amendment and perfecting of this law from time to time, and while it may seem on first reading that it contains unnecessary verbiage, there is hardly a word or statement in it which has not been carefully weighed and in many instances found necessary of insertion to protect the law either from attacks on the part of trusts, directly in the way of commissions, or because of findings of courts, state or national.

I believe the anti-pool and trust law of Missouri is the best one in the United States.

In Missouri the city of St. Louis is a county and it is necessary to make allusion to the Circuit Attorney distinct from the Prosecuting Attorney of other counties. This condition probably does not obtain in your State.

Very truly yours,
A. A. Lesueur,
Secretary of State.

Representative W. L. January,
Lansing, Mich.

In this resolution the Governor is asked to issue a special message that we may take up this measure; I have done it believing that he will comply with the requests of this House on this most important subject and that we may yet take it up before we adjourn. A bill has been prepared very carefully, upon the lines of the Missouri bill, and immediately upon receipt of the Governor's message will be introduced in the House. I hope, gentlemen, that you will pass this resolution and that we may get the Governor's reply without delay.

The motion to take the resolution from the table then prevailed.

The question being on the adoption of the resolution,

The resolution was then adopted.

Mr. Campbell offered the following:

Whereas, Our esteemed fellow member, the Hon. Chester A. Miller, has met with a severe loss in the death of his beloved father, the Hon. Richard C. Miller, who was a member of the House during the sessions of 1871, '73 and '74, therefore,

Resolved, That in the death of the Honorable Richard C. Miller the State has lost an honored Legislator and the community in which he lived a highly esteemed citizen;

Resolved, That we tender our sincere sympathy to Representative Miller and his family in this their hour of deep sorrow;

Resolved, That a copy of these resolutions, duly signed by the Speaker and Clerk, be presented to Hon. Chester A. Miller.

Which was adopted by a unanimous vote.

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Mr. Alward moved that the House adjourn.

Which motion prevailed, and

The Speaker declared the House adjourned until 10 o'clock a. m. tomorrow.

Lansing, Friday, April 8, 1898.

The House met pursuant to adjournment and was called to order by the Speaker.

Prayer by Representative L. D. Dickinson.

Roll call: quorum present.

Absent without leave: Messrs. Lusk and Wetherbee.

On motion of Mr. Connors,

Leave of absence was granted to all absentees for the day.

Mr. Dudley announced that Edmund Brownell, member elect from Lapeer county, was present and desired to take his seat.

The Speaker directed the Sergeant-at-arms to conduct Mr. Brownell to to the Clerk's desk; after which

The following certificate of election was read by the Clerk:

DEPARTMENT OF STATE,
LANSING, MICHIGAN.

I, Samuel A. Kennedy, Deputy Secretary of State of the State of Michigan, do hereby certify, That at the special election held in the County of Lapeer on the 4th day of April, 1898, Edmund Brownell was duly elected Representative in the State Legislature for said county, as shown by the certificate and return made by the County Clerk of said county and now on file in this office.

In witness whereof, I have hereunto set my hand and affixed the great seal of the State of Michigan, at Lansing, this eighth day of April, A. D., one thousand eight hundred and ninety-eight.

[Great Seal.] Samuel A. Kennedy,
Deputy Secretary of State.

After which,

The Speaker administered the constitutional oath of office to Mr. Brownell, who also subscribed the same and took his seat.

Mr. Van Camp announced that Carmi R. Smith, representative elect from the second district of Berrien county was present and desired to take his seat.

The Speaker:

I understand there is no certificate from the Secretary of State showing that Mr. Smith was elected as representative from Berrien county.

Mr. Van Camp:

The board of canvassers have not made a canvass of the votes; but there is no doubt of his election. He has the returns here from the various electoral districts, and I move that Mr. Smith be sworn in and seated as a member from Berrien county.

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The Speaker:

The gentlemen moves that Mr. Smith be seated as Representative from Berrien county.

Mr. L. D. Dickinson:

Mr. Williams, ex-member of this district, came to me yesterday morning, and stated to me that Mr. Smith desired to be seated if the law would so permit. I did not know at that time that there was any law that would meet the case at the present time. The case of Mr. Kerr was recalled; we knew it was only a day or two after his election that he was seated here; I went to the clerk and we looked up the law and found it was the duty of the canvassers of Berrien county to count the votes of this special election under act 25 of the law of 1895; I then telegraphed Mr. Smith stating that to be a fact, and I understand since that time he has done all that he could to get himself in shape to show that he has been legally elected. It is not his fault at all, but the fault of the canvassers in not performing their duty, and meeting yesterday as the law required. They could have given him the certificate last evening, had they met, and therefore he would have been ready this morning with the necessary papers in his case. I believe that he ought to be seated.

Mr. Shepard:

I have on my desk here the certificates of the township clerks of four townships, and one city, the city of Niles, in Mr. Smith's district, showing that in those voting precincts he had a majority of 367 votes. There are certificates missing from two small towns which two years ago gave a republican majority. The two townships together, have a total vote not much in excess of the majority received by Mr. Smith in the townships and the city of Niles from which we have statements. I also have a certificate signed by his opponent.

This report does not comply with the general law regarding the canvassing of votes. The date fixed by law for canvassing those votes has passed. This House is the judge of the qualification and election of its own members, and we have only to determine which of the two gentlemen received the most votes. We can receive any evidence which satisfies our minds as to which man the people of that district wish to represent them in this Hall. There can be no possible doubt but that the gentleman who has presented himself for admission here is the one whom the electors there have chosen to represent them, and I hope, Mr. Speaker, without any further trouble that he may be sworn in and given a seat among us.

Mr. Scully:

I would like to ask the gentleman from Cheboygan a question. What is the reason the canvassers didn't convass the vote and make their return?

Mr. Shepard:

I am informed they didn't know the law required that it be done.

Mr. Donovan:

I ask, if Mr. Smith has a letter from his opponent, that it be read.

The clerk read the letter, as follows:

Niles, Mich., April 7, 1898.

I do hereby acknowledge the election of Carmi R. Smith as representative from the Second district of Berrien Co. to the Michigan State Legislature at an election held in said Second district, Monday April 4, 1898.

(Signed) Peter Womer,
Candidate on Democrat Ticket 2d District.

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The Speaker:

The question is, shall Mr. Smith be given a seat in this House as Representatives from the Second district of Berrien county.

Mr. Colvin demanded the yeas and nays.

The demand was seconded, and the motion prevailed by the yeas and nays as follows:

YEAS.

Mr. Adams	Mr. Fleischhauer	Mr. Pearson
Allison	Foote	Peek
Alward	Foster	Perry
Anderson	Fuller	Peters
Babcock, C. G.	Gibson	Petrowsky
Babcock, H.	Gillam	Phillips, C. C.
Belknap	Goodell	Phillips, M. F.
Billings	Goodyear	Putney
Bricker	Graham	Reed
Brownell	Green	Rulison
Bryan	Hammond	Savage
Buskirk	Harris	Sawyer
Cahoon	Herrig	Scully
Caldwell	Hofmeister	Shepard, F. M.
Camburn	Jackson	Shepherd, F.
Campbell	January	Shisler
Chamberlain	Kelly	Smith
Clark	Kimmis	Stewart
Clute	Madill	Stoneman
Coad	Marsilje	Tefft
Colvin	Mayer	Van Camp
Connors	McGill	Vought
Cousins	Molster	Washer
Crippen	Moore, E. W.	Weier
Davis	Moore, M. G.	Whitney
Dickinson, J. H.	Niedermeier	Widoe
Dickinson, L. D.	Oberdorffer	Wing
Donovan	O'Dett	Zimmerman
Dudley	Otis	Speaker
Eikhoff		88

NAYS. 0

The Speaker then administered the constitutional oath of office to Mr. Smith, who also subscribed the same, and took his seat.

By unanimous consent,

Mr Sawyer offered the following:

Resolved, That the Clerk and Journal Clerk be each allowed the same per diem for services during this session as was allowed them during the regular session of 1897.

Mr. Shepherd moved to amend the resolution by inserting after the words "Journal Clerk," the word "Sergeant-at-arms,"

Which was accepted.

The question being on the adoption of the resolution as amended,

The resolution was then adopted.

On motion of Mr. Davis,

Leave of absence was granted to himself for tomorrow.

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On motion of Mr. M. G. Moore,
Leave of absence was granted to himself for tomorrow.
On motion of Mr. Hammond,
Leave of absence was granted to himself for tomorrow.
By unanimous consent,
By the committee on supplies and expenditures:
The committee on supplies and expenditures to whom was referred sundry expense bills, viz.:

Bill of Ihling Bros. & Everard, Kalamazoo,	
For type writer supplies	$24 00
Bill of Postal Telegraph Co.,	
3 messages	1 17
Bill of Michigan Telephone Co.,	
1 message to Kalamazoo	55
Bills for draping seats of deceased members,	
Burnham & Co.—crape	4 60
J. A. Bissinger—flowers	1 50
H. H. Larned—vases	2 00
Bill of J. W. Allen—washing towels	6 80
Postage bills—W. D. Gordon	1 00
F. W. Redfern	72
L. M. Miller	50

Respectfully report that they have had the same under consideration, and have directed me to report the same back to the House and recommend that the bills be allowed and ordered paid.

J. B. Madill,
Chairman.

Report accepted and committee discharged.

The question being on the adoption of the report,
The report was adopted, and the several bills ordered paid.
Mr. Adams offered the following:
Whereas, We have had the benefit of the services of a corps of expert stenographers during the present session, and
Whereas, Such services have been given freely and without compensation, and
Whereas, It is against the wishes of such stenographers to accept compensation for su h services, therefore be it
R-solved, That the Speaker and Clerk of this body be instructed to draw orders on the State Treasurer for the amount of the actual expenses and disbursements incident to the se vices of such stenographers during this session upon satisfactory proof to said Speaker and Clerk of the same.
Mr. Adams:
As we know, these gentlemen have come here and offered their services voluntarily; they have given fair, honest and just services, and it seems to me it is the least this House can do to reimburse them for the actual money paid out. They lose their time, and their time is valuable. They have given us fair treatment in all the reports, they have been faithful to their duty, as much so as they possibly could have been, were they receiving a large per diem. I hope this resolution will prevail, because I believe it is the right thing to do and what we ought to do.

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The question then being on the adoption of the resolution.

The resolution was adopted.

By unanimous consent,

The Speaker announced the following:

SENATE CHAMBER,
Lansing, April 8, 1898.

To the Speaker of the House of Representatives:

Sir—I am instructed by the Senate to transmit to the House the following concurrent resolution:

Whereas, Prior legislatures have uniformly placed in the hands of the elective State officers a very considerable number of Legislative Manuals for distribution as they might deem proper; and

Whereas, The Legistature of 1898, through an oversight, failed to continue this long-time custom, now, therefore,

Resolved (the House of Representatives concurring), That the Secretary of State be authorized and directed to deliver to each of the following named elective State officers: the Lieutenant Governor, the Secretary of State, the Auditor General, the State Treasurer, the Commissioner of the State Land Office, the Attorney General, and the Superintendent of Public Instruction, thirty-five copies of the Legislative Manual for 1897,

Which has been adopted by the Senate, and in which the concurrence of the House is respectfully asked.

Very respectfully,
Charles S. Pierce,
Secretary of the Senate.

The question being on concurring in the adoption of the resolution,

The resolution was adopted.

Mr. Colvin, unanimous consent having been given and leave being granted, introduced

House bill No. 17, entitled

A bill to protect the families of members of the State militia, and members of the State militia while the latter are in the service of this State or the United States, in time of actual or threatened war, and to protect their property from execution, seizure and levy, and to provide for the continuance of pending suits at law and in chancery.

The bill was read a first and second time by its title and pending its reference.

The Speaker announced that he was inclined to rule the bill out of order as not being within the purview of the message convening this extra session.

Mr. Colvin:

The object of this is,—I don't know, and the gentleman who sent it to me didn't know but it could be got in here without a special message from the Governor, and I consented to introduce it. We have a Naval Reserve in Saginaw that are liable to be called upon any time,—our deputy county clerk is one of them and Mr. F. L. Eaton is another, and a great many of those men in there I know to be workers, and fighters, they are no holiday goods, and we want their rights taken care of, and I would ask the chair, if this is not the way, to instruct me the proper way to get it in here, because I want to get it in here.

The Speaker:

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Notwithstanding the fact that the bill is a very meritorious one it can not be introduced without a special message from the Governor.

Mr. Phillips moved that the House take a recess until 11 o'clock.

Which motion did not prevail.

Mr. Chamberlain moved that the House take a recess until two o'clock this afternoon.

Which motion prevailed.

AFTERNOON SESSION.

2 o'clock P. M.

The House met and was called to order by the Speaker.

Roll call: quorum present.

The House resumed the regular order.

MOTIONS AND RESOLUTIONS.

Mr. Chamberlain offered the following:

Resolved, That the Clerk of the House be and he is hereby directed to compile and prepare for publication, make indexes and superintend the publication of the journals and documents of the present House of Representatives, and when complete and certified to by the Speaker of the House, said Clerk shall be entitled to and receive the sum of $150.00 for such services, a warrant for the same to be drawn by the Auditor General on the certificate of the Speaker;

Which was adopted.

Mr. Kimmis offered the following:

Resolved, That the Hon. Carmi R. Smith be allowed mileage for the same number of miles' travel as was allowed to his predecessor, Hon. Edwin S. Williams, and that the Hon. Edmund Brownell be allowed 164 miles' mileage;

Which was adopted.

On motion of Mr. Chamberlain,

Leave of absence was granted to himself indefinitely.

On motion of Mr. Billings,

Leave of absence was granted to Mr. Gustin indefinitely on account of sickness.

Mr. Alward moved that the House take a recess until 4:30 o'clock this afternoon.

Mr. Fuller moved to amend the motion by making the hour 7:30 o'clock;

Which was withdrawn.

The original motion then prevailed.

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AFTER RECESS.

4:30 o'clock P. M.

The House met and was called to order by the Speaker.

Roll called: quorum present.

The Speaker announced the following:

SENATE CHAMBER,
Lansing, April 8, 1898.

To the Speaker of the House of Representatives:

Sir—I am instructed by the Senate to return to the House the following concurrent resolution:

Whereas, the present Legislature of Michigan, at its regular session, passed a law (Public Act No. 217 of 1897) providing for the issue by the Secretary of State of a Monthly Bulletin, "showing the mortality of the State in detail, the prevalence of important causes of death, and such other information as shall be of public interest and sanitary value"; and

Whereas, The Michigan Monthly Bulletin of Vital Statistics published by the Secretary of State in accordance with the above named act is of great importance to the public health service of this State, as indicated by the subjoined copy of resolutions passed by the State Board of Health, and, in fact, forms an essential part of the public health service of Michigan as now constituted; and

Whereas, Said Michigan Monthly Bulletin of Vital Statistics is not admitted to the mails as second-class matter, a privilege enjoyed by precisely similar publications of other states issued by their State Board of Health, for the reason that the Michigan Bulletin is published by the Michigan State Department, instead of by the Michigan State Board of Health, as authorized by this Legislature by law; and

Whereas, It is the undoubted right of the State of Michigan to regulate her internal affairs, including the collection and publication of mortality statistics, in such manner and by such agencies as may be deemed proper by the Legislature assembled, and in the carrying out such will of the Legislature the people of Michigan are entitled to all of the rights and privileges from the general government enjoyed by the people of any other state; therefore be it

Resolved (the Senate concurring), That the Legislature of the State of Michigan requests that the same privileges be accorded to its Monthly Bulletin of Vital Statistics, published by the State directly through the Department of State, as would be enjoyed if it were published by the State Board of Health of this or any other State, and that the Senators and Representatives of this State in Congress be requested to use their earnest efforts to secure proper recognition of the rights of Michigan in this respect. And that marked copies of the Journal containing these resolutions shall be mailed by the Clerk of this House to our Senators and Representatives aforesaid.

Following is a copy of the resolutions of the State Board of Health referred to above:

At a special meeting of the Michigan State Board of Health held in Lansing, February 25 and 26, 1898, the following preamble and resolution were unanimously adopted:

Whereas, The Michigan Monthly Bulletin of Vital Statistics, issued by the Department of State, is of great usefulness to this Board, and to the

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health officers of Michigan, and performs the same service in the public health work of Michigan that the Bulletins issued by the State Boards of Health of certain other states perform; therefore, be it

Resolved, That it is the sense of the Michigan State Board of Health that the Michigan Monthly Bulletin of Vital Statistics ought to be legally entitled to be admitted to the mails as second-class mail matter, and enjoy all of the rights and privileges belonging to like publications issued by other states.

In the adoption of which the Senate has concurred.

Very respectfully,
Charles S. Pierce,
Secretary of the Senate.

The resolutions were referred for enrollment under the rules.

By the committee on Revision and Amendment of our Present Statutes:

The committee on Revision and Amendment of our Present Statutes, to whom was referred

House bill No. 14 (file No. 13), entitled

A bill to amend section thirty-three as amended of an act entitled "An act to authorize the sale of the Central Railroad and to incorporate the Michigan Central Railroad Company," approved March twenty-eighth, one thousand eight hundred and forty-six;

Respectfully report that they have had the same under consideration, and have directed me to report the same back to the House, without amendment, and recommend that it do pass, and ask to be discharged from the further consideration of the subject.

John Atkinson,
Chairman.

Report accepted and committee discharged.

The bill was referred to the committee of the whole and placed on the general order.

On motion of Mr. Lusk,

The House took a recess until 7:30 o'clock this evening.

EVENING SESSION.

7:30 o'clock P. M.

The House met and was called to order by the Speaker.

Roll called: quorum present.

The House resumed the regular order.

COMMUNICATIONS FROM STATE OFFICERS.

MICHIGAN STATE LAND OFFICE,
Lansing, April 8, 1898.

To the Speaker of the House of Representatives:

I have this day addressed to the Governor of the State of Michigan the following communication:

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Hon. H. S. Pingree, Governor of Michigan, Lansing, Mich.:

My Dear Sir—I herewith submit to you petitions received from 187 townships and numerous towns and cities in 44 counties in Michigan signed by almost thirty thousand citizens of our State, asking you as Governor to send to the Legislature now in extraordinary session a special message requesting the enactment of such a law that will correct the defects in our State tax homestead law, which now is practically of no use, since the recent decision of the supreme court. The decision of the court places such a construction upon the law that in the future no more lands will be taken up. No certificates will be issued by the State Land Office. No assurance can be given people desiring to take up lands and they will not enter into a transaction so uncertain.

Since the enactment of the general tax law in 1893 there has been deeded to the State 464,830.86 acres of land under the provisions of Section 127 of said law. Since then 2,088 certificates have been issued by the State Land Office, licensing 157,360.65 acres of this land. The land has been settled upon by people in need of homes, who, in so doing, are not only benefitting themselves but are contributing in no small degree to the building up of the State and the prosperity of the locality in which these lands are situated.

These people entered upon these lands in good faith, believing, and having a perfect right to believe, that the State would carry out every provision of the law and at the end of five years' residence thereon they would receive a deed and be placed in absolute possession of the home they had honestly earned. In improving these lands and acquiring homes, these homesteaders are equalizing the burden of the taxation and making it easier for the man who does not attempt to defraud the State and county and escape bearing his share of the public burden.

The land which these homesteaders are now converting into farms and homes are the lands upon which the payment of taxes was refused. The original owners positively refused to pay the taxes and thus bear their share of the public burden.

Some of these homesteaders have lived upon these lands three years, during which time they have cleared the lands and built homes after a great amount of hard labor and now they are confronted with the probability of being compelled to leave what they have been expecting would be a comfortable home and a source of livelihood. The decision of the supreme court provides that should the former owner of the lands desire to again take possession he shall pay to the homesteader the amount that may be decreed by a court as to the value of any improvements that have been made, but such a settlement would not recompense the homesteaders for the years of toil spent. Their months and years of hard work would not be taken into consideration. Months spent in grubbing and clearing a field: and a rude log house, which, almost worthless in the eyes of a court, yet invaluable to the homesteader as a home and representing days of toil, would not receive a consideration that would be just to the homesteader. Their means are very limited and they would be backward about going into court, so it can be seen that in almost every instance the unfortunate homesteader would be thrown out of his home with practically nothing to show for his years of hard work.

I, on behalf of these people, in whose welfare this department is deeply interested, ask that you grant the request made by these thousands of

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petitioners by calling upon the members of the Legislature to furnish some relief for those now upon State lands and an assurance for those who may in the future desire to obtain for themselves a home, that their work will not be in vain, and thus allow them to be of assistance in increasing the prosperity of the State and converting these now burdensome lands into valuable farms.

Yours very respectfully,
William A. French,
State Land Commissioner.

Should His Excellency, the Governor, see fit to submit a special message to your honorable body calling your attention to this important matter, I appeal to you in the interest of these unfortunate people to enact such legislation as in your judgment will enable the State to deal fairly with its citizens and carry out its contracts.

Yours very respectfully,
William A. French,
State Land Commissioner.

The communication was ordered spread on the Journal.

On motion of Mr. F. Shepherd the House took a recess until 8:30 o'clock this evening.

AFTER RECESS.

8:30 o'clock P. M.

The House met and was called to order by the Speaker.

Roll called: quorum present.

The Speaker announced the following:

SENATE CHAMBER,
Lansing, April 8, 1898.

To the Speaker of the House of Representatives:

Sir—I am instructed by the Senate to transmit to the House the following concurrent resolution:

Resolved (the House concurring), That from and after April 9th, 1898, the two Houses of the Legislature will transact no other business than for the President of the Senate and Speaker of the House to sign enrolled bills for the approval of the Governor and the entry of the same on the Journal by the Secretary of the Senate and the Clerk of the House, and the final adjournment of the Legislature shall be on the 11th day of April, 1898, at 12 o'clock no n of that day;

Which has been adopted by the Senate, and in which the concurrence of the House is respectfully asked.

Very respectfully,
Charles S. Pierce,
Secretary of the Senate.

The question being on concurring in the adoption of the resolution,

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On motion of Mr. Atkinson,
The resolution was laid on the table.
The Speaker announced the following:

SENATE CHAMBER,
Lansing, April 8, 1898.

To the Speaker of the House of Representatives:

Sir—I am instructed by the Senate to transmit to the House the following concurrent resolution:

Be it resolved by the Senate (the House concurring) That His Excellency, the Governor, be and is hereby respectfully requested and urged to transmit to the Legislature, at the earliest possible moment, to permit prompt action before the close of this extra session, thus saving to the taxpayers the expense of a second extra session, a special message, which shall ask for liberal and adequate appropriation of money to enable Michigan, in the full measure of her historic, enviable and patriotic record, to respond promptly and proudly to the call of President McKinley, whenever it may arrive, for Michigan to come up to the support of the National Government in case war with Spain become unavoidable;

Which has been adopted by the Senate, and in which the concurrence of the House is respectfully asked.

Very respectfully,
Charles S. Pierce,
Secretary of the Senate.

The question being on concurring in the adoption of the resolution,

Mr. Atkinson:

I trust that the House will not concur in this resolution. It seems to me that it is an attempt on the part of the Legislature to take charge of the business of the Governor. The Governor is very carefully considering the question involved in this resolution. He has been waiting patiently for the message of the President of the United States to Congress, so that when he submits a message, he shall be able to give to the Houses such information as should be given them on the subject. He expects in all probability to send such a message either on Monday morning or Monday afternoon, when he is properly informed from the general government as to what may be expected of the State, and I trust the Legislature will not put itself in the position of attempting to take charge of what is his business, and requesting him, as this resolution does request him. Some gentlemen seem—I suppose though, it is not in order to allude to anybody that does not belong to our own House—

The Speaker:

It is not in order.

Mr. Atkinson:

Without further delay, Mr. Speaker, I will move that the resolution be laid on the table.

Which motion prevailed.

The Speaker also announced the following:

SENATE CHAMBER,
Lansing, April 8, 1898.

To the Speaker of the House of Representatives:

Sir—I am instructed by the Senate to transmit to the House the following bill:

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Senate bill No. 3 (file No. 2), entitled

A bill to provide for the appointment of a commission to investigate and report upon the method of taxing railroad companies, express companies, telegraph companies and telephone companies, and prepare and report, if such commission or a majority thereof conclude so to do, a bill for the taxation of said companies, and to prescribe the duties and provide for the compensation of such commission;

Which has passed the Senate by a majority vote of all the Senators elect, and in which the concurrence of the House is respectfully asked.

Very respectfully,

Charles S. Pierce,

Secretary of the Senate.

The bill was read a first and second time by its title and pending its reference to a committee,

Mr. Kelly:

I understand that the bill passed by the Senate this evening is now before the House. Pending its reference to a committee I move that the rules be supended, and the bill be put upon its immediate passage.

Mr. Atkinson:

I trust this course may not be taken with this bill. It is an exceedingly important one; the bill has not been laid before the House, so that any member has had a chance to examine it. I think it would be an exceedingly unwise move to take it up at this time and put it upon its immediate passage; so I hope this motion to suspend the rules will not prevail, and on that motion I ask for the ayes and nays.

The demand for the ayes and nays was seconded.

Mr. Kelly:

I desire to say in behalf of the motion that I have made, that there is now before this House, in committee of the whole, a bill practically the same as this one. This bill has been before the committee on revision of the laws of which the distinguished gentleman from Wayne, Mr. Atkinson, is the chairman. And that committee has reported the bill out to this House for consideration, and reported it adversely, so the attitude of the distinguished member from Wayne is already known, and I do not think it is necessary to delay it by reference to a committee, because we can get at all the information that is necessary here in the short space of fifteen or twenty minutes. I do not believe there is a member on the floor of this House but is fully aware of what this bill purports to be and what the result of its passage will be. I, for one, Mr. Speaker, am strongly in favor of a commission to investigate this subject; but in deference to the wishes of the gentleman from Wayne, I stated to him that I would not press this bill while he had a bill for consideration that seemed to be of more importance, and which has met its fate in the Senate this afternoon.

Now, so far our work has amounted to nothing. We have, up to the present time, accomplished nothing; there is just one day left us for the consideration of matters, and it seems that inasmuch as the Senate has passed the bill, and it is now before us for consideration we ought to give the rest of our time to the consideration of that matter and dispose of it one way or the other, and do it if possible tonight. I, for one, do not wish to stay here any longer than I can possibly help; I regret that I am here today, and I think I express the wish of the large majority of this House

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when I make that statement; and for that reason I am worrying about considering this matter at this time.

I think the gentlemen of the House remember well that at the last session of the Legislature we had a bill before us here changing the system of taxation in this State; the gentlemen from Wayne desired to have the House pass upon the theory that was advanced at that time, and the House opposed it; they refused to pass it; it was for the local taxation of railroads. Ten months later, and at this special session, this extraordinary session, the gentleman presents an entirely different proposition, discarding the system of taxation that he urged before this House more strongly than he urges the matter that has been here for consideration, and passed on by this House, and what is the result? We do not know today where we are at. There is hardly a man in this House that knows what that bill meant that passed here. I confess that I do not.

Mr. Chamberlain:

I arise to a point of order.

The Speaker:

The gentleman will state his point of order.

Mr. Chamberlain:

The gentleman is not discussing the question under consideration.

Mr. Kelly:

I think, Mr. Speaker, my position covers the ground.

The Speaker:

The point of order is not well taken; the gentleman's remarks seem to be germain to the question. The gentleman from Muskegon will proceed.

Mr. Kelly:

Now, I for one, cannot tell what that bill meant or what the result of it would be, but I voted for it and I urged an immediate consideration of it out of respect for the Governor of State and the distinguished member from Wayne who has urged, or did urge the passage of the bill. I did not want take the responsibility of voting against a measure that the distinguished gentleman who has led in these matters on the floor of this House had given so much consideration to, and I so little, and I felt that perhaps he was right, and I was wrong. I laid no stone in the way of a consideration of that bill; but I do say now, and I wish to assert my proposition just as strongly as I know how, that the proper thing for us to do now, and tonight, is this: We should pass this bill. We should take this bill and consider it and pass it, and get the information that we all desire so that at the next session of the Legislature we will not have all these hearings before committees, but we will have a reliable report on which to base our position, so we may vote intelligently upon this important matter.

Why, just think of it! The bill we passed in this House, Mr. Speaker, changed the entire system of taxation in this State in reference to these great properties and the gentleman admitted not before me alone, but a large number of the members of this House, that he drafted that bill just two days before the convening of this extraordinary session.

Now, I want to ask the members of this House if they think it is wise to change the system of taxation of the State of Michigan where no more consideration has been given to it than has been admitted by the distinguished gentleman who fathered the matter upon the floor of the House.

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I think there is one wise thing we can do. I think we should create a commission here and gather this information and give it to the public; give it to everybody who is interested in the question of taxation in this State, before the next session of the Legislature, and I will guarantee you that petitions will not be necessary to determine the position of any member of this House.

Now, I say, Mr. Speaker, without going any further into this proposition, that the motion ought to prevail. We ought to take it up, we ought to determine it here, but by referring the matter to a committee and delaying and letting our time fly away, we will accomplish nothing and it would be simply an outrage, for which I do not wish to be responsible.

I say, Mr. Speaker, the motion as made ought to prevail, and I hope it will.

Mr. Molster:

I move that the bill do lie on the table.

Mr. Kelly demanded the yeas and nays.

The demand was seconded and the motion that the bill be laid on the table prevailed, by yeas and nay, as follows:

YEAS.

Mr. Allison	Mr. Foster	Mr. Moore, M. G.
Alward	Fuller	Niedermeier
Anderson	Gibson	Oberdorffer
Atkinson	Gillam	O'Dett
Babcock, C. G.	Goodell	Otis
Babcock, H.	Goodyear	Petrowsky
Billings	Graham	Powers
Brownell	Hammond	Putney
Bryan	Herrig	Scully
Buskirk	Jackson	Shepard, F. M.
Cahoon	January	Shisler
Chamberlain	Kerr	Smith, C. R
Clark	Kimmis	Stewart
Coad	Lusk	Stoneman
Cousins	Madill	Tefft
Crippen	Marsilje	Vought
Dickinson, J. H.	Mayer	Weier
Dickinson, L. D.	McGill	Widoe
Donovan	Molster	Zimmerman
Eikhoff		58

NAYS.

Mr. Adams	Mr. Foote	Mr. Reed
Bates	Green	Rulison
Belknap	Harris	Savage
Bemis	Kelly	Shepherd, F.
Caldwell	Moore, E. W.	Smith, C.
Camburn	Peek	Van Camp
Campbell	Perry	Washer
Connors	Peters	Whitney
Dudley	Phillips, C. C.	Speaker
Fleischhauer	Phillips, M. F.	29

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The Speaker also announced the following:

SENATE CHAMBER,
Lansing, April 8, 1898.

To the Speaker of the House of Representatives:

Sir—I am instructed by the Senate to return to the House the following bill:

Substitute for House bill No. 1 (file No. 16, reprint file No. 18), entitled

A bill to provide for the assessment and levy of taxes upon the property of railroad companies, express companies, telegraph companies and telephone companies and the collection thereof, and the designation and election of a State Board of Assessors to make such assessments and levy, and defining the duties of such board, and the compensation of its members, and to repeal section 33 of act number 42 of the laws of 1846, as amended by act number 179 of the laws of 1893, and section 31 of act number 113 of the laws of 1846, and the amendments thereto, and all other acts or parts of acts, whether contained in special acts under which any of the companies whose property is to be assessed under this act shall have been incorporated, or under the general railroad law and the amendments thereto, or in the act for the incorporation of union railroad stations and depot grounds, or in any other law of this State, so far as such acts or parts of acts are inconsistent with this act and no further;

And to inform the House that in the passage of said bill the Senate has not concurred.

Very respectfully,
Charles S. Pierce,
Secretary of the Senate.

The bill was laid on the table.

The Speaker also announced the following:

SENATE CHAMBER,
Lansing, April 8, 1897.

To the Speaker of the House of Representatives:

SIR—I am instructed by the Senate to transmit to the House the following bill:

Senate bill No. 4, entitled

A bill to amend section 33 of an act entitled "An act to authorize the sale of the Michigan Central Railroad and to incorporate the Michigan Central Railroad Company, approved March 28, 1846," as amended.

Which has passed the Senate by a two-thirds vote of all the Senators elect, and by a vote of two-thirds of all the Senators elect has been ordered to take immediate effect, and in which the concurrence of the House is respectfully asked.

Very respectfully,
Charles S. Pierce,
Secretary of the Senate.

The bill was read a first and second time by its title and referred to the committee on Railroads.

Mr. Lusk offered the following:

Resolved, That a committee of three be appointed to wait upon His Excellency the Governor, and ascertain, if possible, the probability of another extra session being called, that the House may be better enabled

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to determine the course to pursue regarding the legislation now pending before this body.

The Speaker:

The question is on the adoption of this resolution.

Mr. Lusk:

This resolution may perhaps seem a little out of order, but still I introduced the resolution in deference to what I understand to be the wishes of a good many members upon the floor of the House, that we may be better able to determine the purpose of what we are to have before us in the few days that remain of this extra session. Some of the gentlemen are anxious to go home and attend to their private affairs and I presume the Governor would be willing to intimate to the House what course would be pursued the coming week. I think it would be agreeable to the members of the House to know if we might be called for an extra session this coming week.

Mr. Perry:

I hope, I trust this resolution will not be adopted. It seems to me that if the House attends strictly to its business, the Governor will attend to his, therefore I move it do lie upon the table.

The motion that the resolution do lie on the table prevailed.

The Speaker:

What is the pleasure of the House?

Mr. Fleishhauer moved that the House adjourn.

Which motion did not prevail.

GENERAL ORDER.

On motion of Mr. Atkinson,

The House went into the committee of the whole, on the general order.

Whereupon the Speaker called Mr. C. G. Babcock to the chair.

Mr. Atkinson:

Mr. Chairman, I move that the committee take up file 13, known as the Scully bill.

The motion prevailed.

The clerk read section one, as follows:

Section 1. *The People of the State of Michigan enact,* That section thirty-three, as amended by act No. 179 of the public acts of 1893, of the act entitled "An act to authorize the sale of the Central Railroad, and to incorporate the Michigan Central Railroad Company," approved March twenty-eighth, eighteen hundred and forty-six, be, and the same is hereby amended, so as to read as follows:

Sec. 33. From and after the second day of July, eighteen hundred and ninety-eight the property and franchises of said company shall be subject to taxation under the general railroad laws of this State, the same as the property and franchises of railroad companies organized under said laws, and subject to the power to amend, alter or repeal reserved by the constitution of this State.

The Chairman:

Are there any amendments to this section, if there are not it will be passed. It is passed.

The clerk read section 2, as follows:

Sec. 2. At any time within three months after this act takes effect the said company is authorized to commence an action on the case, in the

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circuit court of any county in this State through which the railroad of said company runs, against the State of Michigan, for the recovery of the compensation or damages it is entitled to receive, if any, because of the passage of this act. Said action may be commenced by declaration and service thereof may be made on the Governor and Attorney General, who shall defend said action for the State. Said action shall be tried before a jury, and a judgment shall be rendered on their verdict the same as in common law actions, and such judgment shall be subject to review on a bill of exceptions, and a writ of error sued out by either party, the same as in other cases.

Mr. Scully:

I submit an amendment to the bill.

I move to amend the bill by inserting in line 6, section two: But this act shall not be taken as a declaration or admission that such company is entitled to damages by reason of the changes made by this act.

Mr. Adams:

I desire to ask the gentleman from Ionia the purpose of section 2.

Mr. Scully:

The purpose is to provide so that damages, if any, can be determined if the company is entitled to any.

Mr. Adams:

Would they have not the same rights they would have without that section in the bill. It can go into the circuit court for any county and commence action by declaration and have a trial by jury. I move that section two be stricken out.

Mr. Scully:

I have an objection to it.

Mr. Adams:

I move then that section 2 be stricken out, if it has no purpose.

Mr. Scully:

The reason why I think this section should not be stricken out is, it provides in the first place that at any time within three months after this act is passed they may commence an action to decide the question of damages. That section should stand, I believe, for that reason; I don't see what harm it can do. It provides the manner in which the action may commence, and upon whom service may be had, and I see no reason why we should strike out the section.

Mr. Donovan:

I don't think this section ought to be stricken out. Now, the language used in the sale by the State to the Michigan Central, is the basis for placing this section in the bill.

The Chairman:

The question is on the amendment and not on the striking out.

Mr. Donovan:

That is what I was speaking about, Mr. Chairman. I do not see why this section should be stricken out.

The Chairman:

It is a motion to amend the section that comes in before the motion to strike out. Mr. Scully moves to amend by inserting in section 2, the words, "but this act shall not be taken as a declaration or admission that such company is entitled to damages by reason of the changes made by this act."

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The motion to amend has precedence over the motion to strike out. Are you ready for the question?

The motion to amend prevailed.

The Chairman:

Now the motion to strike out will be in order.

Mr. Peters:

I would like to ask Mr. Scully a question in regard to the motion.

Mr. Donovan:

In addition to the remark I made a few moments ago, if this language introduced in this bill, and that section of the bill was for the purpose of complying with the language used in the original sale by the State to this company, and the portion there that the amendment seems to apply to, is it necessary to have it in. I understand from Mr. Scully that it don't seem necessary at all. Now, this makes an amendment by which this road can commence an action for damages within thirty days, but if they don't commence it within that time, it occurs to me that they forfeit their right to do so; I think the section ought not to be stricken out.

Mr. Adams:

I didn't make the motion to strike out, except for the reason that the entire section is superfluous. There is not a point in the section. It does not give to the road any rights that they did not have under the general law.

The language of the first line reads: "At any time within three months after this act takes effect." That does not bar them from commencing six months afterwards under the statute of limitations. It takes no right from them. Now, I would desire to withdraw the motion to strike out and move to amend by inserting in line one after the word "effect," the words "but not thereafter," for the purpose of confining them to the first three months after this act takes effect.

Mr. Scully:

I accept the amendment.

Mr. F. Sheperd:

I wish to submit an amendment.

The Chairman:

There is an amendment pending now. All those in favor of Mr. Adams' motion say aye.

Mr. Atkinson:

This bill is a bill prepared by Mr. Baker of which all the members—

Mr. F. Sheperd:

I thought I had the floor.

The Chairman:

Your amendment was ruled out of order.

Mr. Atkinson:

You have the floor but nothing to talk on. The question now is the motion to amend the bill. This bill has been very carefully prepared by Mr. Fred A. Baker, and submitted to the committee on revision of Statutes and been very carefully considered.

Mr. Adams:

I rise to a point of order; we can't hear anything that is going on, in this part of the House.

Mr. Atkinson:

I hope you will hold that point well taken. Now, I regard it as quite important that this bill should be passed. There are a great many mem-

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bers of both houses who profess to believe that the Michigan Central charter is in the way of any kind of remedial legislation in this State, and it is quite important, therefore, that the charter be so changed as to bring the Michigan Central company under the general laws of the State.

Now, in the bill as drawn by Mr. Baker, he gives the company three months in which to make its claim before any court of competent jurisdiction. The time would probably be considered directorial unless we put in those words "not after," and it might be possible the court would hold that three months was not a reasonable time in case we use the other restrictive words. I cannot see any object in the amendment at present, and I trust that the gentleman from Kent will not change the bill in that respect. It seems to me a simple verdict of a jury is a signal or a something or another that might be considered dangerous without any possibility of helping the bill, but if the court should hold that they were entitled to further time as long as there were no restrictive words, it would be better to have them in, and it ought to be left in that position so that the court would not be compelled to decide that the time given to the company was too short for the statute of limitation. So that I trust, if the gentleman from Kent does not withdraw the motion, that the House may not agree with him upon it.

I want to say also with reference to this section that I desire this bill of Mr. Scully to succeed; but that the company would have a right to bring suit even if the bill did not provide for it.

Now, I want to call the attention of the House to this rule of law. The State cannot be sued except by its own consent, so that unless we leave this section in the bill there would be no possibility of the company bringing any action before any court of competent jurisdiction for the purposes of having its damages assessed. This section is the very essence of the bill. Without it there would be no possibility of trying to gain anything more, and in that case the whole question of damages would be left to the Board of State Auditors. Under section 8, of article 8, section 4, which provides the Secretary of State, State Treasurer, Commissioner of the State Land Office shall constitute a Board of State Auditors to examine and adjust all claims against the State not otherwise provided for against general law.

Now, the difficulty about submitting the matter to the Board of State Auditors is this: There is no appeal from the decision of the State Board of Auditors to our Supreme Court, but there would an appeal by the company, if it contested it, from the decision of Auditors to the Supreme Court of the United States; and it is very important that if the damages should be assessed, we should have an opportunity of having the opinion of our State judges upon it before it went to the court of last resort at Washington. The section provides that the suit may be brought in any court of competent jurisdiction, then it may be removed to the Supreme Court of the State and have the opinion of our judges upon it. Then if the company sees fit it may still be removed to the Supreme Court at Washington, but we will have the advantage of the opinion of our own judges upon the constitutionality of the bill before it goes to Washington for decision.

The section has been carefully drawn by a very eminent lawyer and I trust will be left in its present shape and passed in that shape by the House.

Mr. Adams:

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It has always been one of the chief pleasures of my life to do anything that will please the opposite party, and I will withdraw my motion.

Mr. F. Shepherd:

I have an amendment. I don't know that it may be necessary. I don't know but that there is a statute now in existence doing away with the necessity of this when the State is the party appealing. I have not had very much experience in doing business for the State and I don't know of the statute; if there is I withdraw the amendment.

Mr. Atkinson:

Certainly the State would not have to give a bond. The State appealing to its own courts is a sovereignty, it is a sovereign State, and the idea of giving a bond would be somewhat absurd, but if it had to give a bond the bond would have to be given in the sum of two hundred and fifty dollars, and I trust our poor old Commonwealth, plundred as she has been, would still be able to get a bondsman for that amount.

Mr. Shepherd:

I withdraw the amendment.

The Chairman:

Is there any amendment to section 2? If not, it is passed.

Section 3 was read by the clerk as follows:

Sec. 3. When the amount of said compensation or damages shall have been finally ascertained and determined, it shall be the duty of the Governor and State Treasurer and they are hereby authorized to negotiate and contract a loan for a period not exceeding thirty years of a sufficient amount to pay such compensation or damages, at a rate of interest not to exceed four per cent per annum payable semi-annually on the first days of July and January in the city of New York; and the proceeds of said loan shall be applied solely to the payment of the compensation or damages so ascertained or determined.

The Chairman:

Is there any amendment to section 3.

Mr. Donovan:

I move to strike out the first word in line 6 "3½." The credit of the State of Michigan is good enough so that it can give bonds that can get a rate of interest as low as any other State, or as low as the United States, when they sell government bonds. I think that 3½ would be a fair rate of interest.

The amendment was agreed to.

The Chairman:

Are there any other amendments to section 3? If there are none, it will be passed and is passed.

Section 4 was read by the clerk as follows:

Sec. 4. For the purpose of effecting the loan aforesaid, the Governor and State Treasurer shall be and they are hereby authorized and directed to make and issue bonds in the name of and in behalf of the people of the State, in sums of not less than one hundred dollars or more than one thousand dollars each, and to be signed by the Governor and payable to the order of the Auditor General, and to become negotiable when endorsed by him and countersigned by the Secretary of State, with the great seal of the State impressed thereon, and with coupons for the interest attached, to be signed by the State Treasurer, and both principal and interest payable in the city of New York, as provided in the preceding section. The faith of the State shall be and is hereby solemnly pledged for the punctual pay-

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ment of the principal and interest of the loan hereby authorized to be made according to the terms of the said bonds and coupons, and the principal and interest of said bonds shall be regarded as part of the State debt to be paid from the proceeds of specific State taxes in accordance with section one of article fourteen of the constitution of this State.

Mr. Adams:

I would like to make a motion, but before I make it I will take the suggestion of the gentleman from Wayne,—to strike out the words New York and insert the word Detroit, which is recognizing the metropolis of our own State, instead of some other state.

Mr. Atkinson:

I am sorry I cannot approve of that amendment. The bonds will sell more readily being made payable in the great financial center of the country, and it was drawn Detroit instead of New York. I wish it was Detroit instead of New York, but it is not Detroit, and we have to bow to Wall street no matter how hard it is to bend our necks; and I think that the bonds will sell more readily and bring a higher price if the interest was payable in New York as is usual in such cases.

Mr. Chamberlain:

It may perhaps be well to state for the benefit of the gentleman from Kent ———

The Chairman:

There is no motion before the House at present. Any amendment to section 4.

Mr. Chamberlain:

I move to strike out the word New York and insert the word Detroit. Now, Mr. Chairman, if I am in order I desire to say that the same question was discussed the other day to a considerable extent in the drawing of the bill to provide for the raising of money for the purpose of bonding the State for war funds, which measure has not yet been presented to the House. It was submitted to the State Treasurer, who sanctioned it, saying the bonds should be payable in New York, or the interest in New York for the reason that they could be more readily paid and a better rate of interest both for the State and perhaps a premium could be received. Therefore, Mr. Chairman, I withdraw my motion.

The Chairman:

Are there any other amendments? If not, it will be passed and is passed. Are there any amendments to the body of the bill.

Mr. Lusk:

I would like to ask if any computation has been made by the gentlemen interested in the passage of this bill as to the probable amount of damage or compensation that would be asked for by the company.

Mr. Scully:

I am not stating in this bill or it does not concede that there is any damage. It only provides how they could be adjusted.

Mr. Lusk:

Is it not a fact that there is a proviso in the Central charter that contemplates the payment of damages unless that charter is repealed.

Mr. Atkinson:

There is such a proviso.

Mr. Lusk:

I understand the bill to be a repeal of the Michigan Central charter.

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Mr. Atkinson:

If the question is addressed to me,—the charter provides that the State may by a two-thirds vote repeal it at any time after 30 years. The 30 years have now expired. Upon making compensation to the company for any damages that it may suffer by a repeal of the charter of the company, as I have construed it it would mean simply its right to be a corporation and run a railroad. I don't think myself it covers the question of taxes, and I believe that if it did cover the question of taxes as this section was amended in 1893, since our present constitution was adopted it would be absolutely within the control of the Legislature, so that I don't think any damages could ever accrue by reason of this repeal. But the sections as drawn by Mr. Baker are simply a safeguard in case damages were allowed by the courts in case they should take a different view of the charter. Then this bill provides for the manner of assessing those damages and for a fund from which they should be paid. I don't think that there would be any danger of the State ever having to pay a penny for this repeal.

Mr. Fleischhauer:

I would like to ask the gentleman a question. What the object is really of having this go through all the lower courts before appealing it to the United States Supreme Court? Would it not save expense by taking it there immediately?

Mr. Atkinson:

The only difficulty in the way of that is that you can't bring any suit immediately in the Supreme Court of the United States; it is only an appellate tribunal.

Mr. Fleischhauer:

I understood the gentleman to say the object of introducing this was simply to let our own judges pass on it before it was taken to the Supreme Court of the United States.

Mr. Atkinson:

That is true. The Supreme Court of the United States can only be appealed to to review the opinion of some other judges. In case we make no provision in this bill there would be a writ of certiorari issued from the Supreme Court of the United States to the Board of State Auditors.

Mr. Fleischhauer:

What? Just say that again. We are farmers.

Mr. Atkinson:

Now listen. It would be a writ of certiorari. I have pronounced it by syllables, just as we always do in law schools when we are beginning. It would go to our Supreme Court to be decided whether the State Board of Auditors had given a proper judgment or not.

Now, it would be of great advantage to the State to have the judgment of our own Supreme Court and the opinion of our judges upon that question before it was heard by the Supreme Court of the United States.

Mr. Fleishauer:

What would be the advantage?

Mr. Atkinson:

The advantage would be that a tribunal familiar with our constitution and laws would first give their opinion; we would have the advantage of the opinion of our own judges familiar with our own laws, and it might be a guide which would lead to different conclusions possibly.

Mr. Fleishauer:

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Would not the expense be wasted?

Mr. Atkinson:

To get a decision of the court might cost about fifty dollars, but it might save us a good deal of money.

Mr. C. C. Phillips:

I move to strike out sections 3 and 4 of the bill. I make this motion because I am suspicious of these sections. It may be an undue suspicion, but as I study the bill I cannot help having that suspicion, and the more I look at it the more it grows upon me. It seems to me that it is opening the gates wide and inviting the Michigan Central Railroad and a horde of wealthy lawyers to come in and partake just as largely as they see fit of any funds that there may be in the State Treasury, and in case there are not funds enough in the State Treasury, to make an arrangement whereby they may be enlarged to any extent. It seems to me that if at the end of a long litigation, and it will be at the end only, if at all, if the State's interests are properly looked after, that it shall be determined by the court that a sum of money either large or small, the Central Railroad is entitled to because of this act, it will then be time enough for the Legislature of Michigan to put it into the hands of the Governor and State Treasurer to issue a definite amount of bonds for that purpose; and if we strike out those two sections, it seems to me that we would have done all that pertains to us to do. We will have to provide for the repeal of that section of the Michigan Central Railroad charter.

I call attention to the fact that we passed, the other day, a bill by almost a unanimous vote which contained a clause identical in meaning with sections one and two of this bill, and it was not in the wisdom of the gentleman who introduced that bill, and we conceded him to be one of the best lawyers in the State, he didn't deem it necessary—neither did Mr. Fred Baker deem it necessary—in that bill, to incorporate any such provisions as are incorporated in sections 3 and 4 of this bill. I make the contention that if sections 3 and 4 are necessary in this bill they were necessary to the bill which passed the House so unanimously the other day. If they were not necessary, then why are they necessary now, if not for the purpose of opening the road for a raid of an indefinite amount upon the treasury of this State?

Mr. Scully:

I would like to ask the gentleman why not strike out section 2 if that's the case?

Mr. Phillips:

This bill, I understand, belongs to the gentleman who asks the question. If he wishes section 2 stricken out, I don't know that I shall object, yet I think the bill would be better with it in; I think also that it would be better with sections 3 and 4 stricken out. I have no objection to the gentleman raising that question and offering that as an amendment after this question is disposed of.

Mr. Scully:

I don't see the force of the gentleman's reasons. He says that sections 3 and 4 are detrimental to this bill for the reason that it opens the door of the treasury for a raid upon it. Now, if there are any damages obtained by the Michigan Central Railroad Company, as provided by section 2—but I don't think there would be any damages, yet

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if there are, they are provided for by sections 3 and 4. If there are no damages obtained in the courts under section 2, then sections 3 and 4 will be null.

Mr. Atkinson:

I dislike very much to deal with suspicion. One of the eccentric religious gentlemen of the other House today talked against the bill for fear that the author of it might differ with him as to the road to the Kingdom of Heaven. He was very suspicious in regard to it. Now, what suspicion is there here, and why does the gentleman charge that there is any danger? Does he suspect that any of us want to make a raid upon the treasury? You must provide for some fund for this, in case the courts allow damages. The bill that was passed here the other day provided precisely as this bill provides, for a fund, only not in the same way. It provided for a fund to be used to pay it like any other adjudicated claim against the State. That is to say, it would be paid out of the general fund of the State; but this bill, as drawn by Mr. Baker, provides for the sale of bonds. It would make no difference what way we provided for it, but we have got to provide for it, in case they are entitled to damages, and provide some way for their payment. If the House thought it better to have it paid out of the general fund, that would be all right; but there are a lot of men in this Legislature who profess to be willing to repeal the charter of the Michigan Central, but yet they want to make an act that will not be effectual for that purpose. In other words, they pretend to do one thing and want to do another thing. If they are in favor of this repeal, let them come up and make a valid act for that purpose, and not attempt to vote for a repeal of the Michigan Central charter and at the same time put the act in such words that it cannot be enforced. Let us either do or not do it. One thing or the other. Let us not have their names recorded among bills here so that we will have a record which will read one way and then at the same time make it appear the other way. We must provide some way for the payment of whatever damages, if any, are allowed. I myself consider it a very base insinuation upon any man who introduces a bill in this House for some one to rise up and say that he is suspicious of it, when he points out no ground of suspicion. These insinuations seem to me unworthy of the members of this House. Now, I happen to know the author of that bill; all of you know him. I don't believe Mr. Baker has any sinister design upon the treasury of this State. In the first place there can be no bond issued until some court of competent jurisdiction has given a judgment against the State. Can we trust our own courts, or is that a matter of suspicion, too? And if the court who shall decide this, and he who is for the time being Governor of the State is the one of whom the gentleman is so suspicious, that Governor who happens now to occupy the chair will probably by the time this act takes effect be President of the United States. Is any one here so base that he cannot trust the man whom the people elect Governor of this State to carry it out and pay the judgment when it is finally rendered by a court of competent jurisdiction? Let us cease dealing with these shadows. If you have any suspicion of this bill, point out upon what your suspicion rests, but not deal in these miserable insinuations.

Mr. Bricker:

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We had a bill here at the last session, to repeal the Michigan Central charter, and that same question is before us now. I voted for that during the regular session. Some of the objections were made then that are made now, that is, that the Michigan Central had its special charter and that it would be unconstitutional.

Now we have a bill here that is perfect, and if we are sincere now in our intention, I believe we should pass it just as it is. As I said before, I will vote for this bill, let the consequences be what they may. If we have to pay damages, let us stand up like men and pay damages; but, Mr. Chairman, I do not believe that the State would be liable for any damages under this bill. During the regular session we had a number of bills introduced in the House for the taxation of railroads. Now what became of them? We passed them through the House and they went to the Senate and were killed. The same situation confronts us today. If we pass this bill through the House and it goes to the Senate, they will kill it. I say now, let us pass it through the House, and see if they are sincere in what they say. I have heard statements made on the floor of this House, and also in the Senate, that they would vote for the repeal of that charter.

Mr. Fuller:

I understand that this is a bill for the repeal of the Michigan Central charter. Now this is the fourth time since I have been in this House during a session that this question has come up. The question was up in 1893, and some said it would be constitutional and some said it would not. If I vote on this question now, it will be the fourth time, and I have never voted on it with any knowledge of my own or any idea of my own. I have always followed somebody's else advice, and I did not know whether I was right or not, but I propose this time, if this bill comes to a vote, to consult nobody. This time I am going to vote for the repeal of the Michigan Central charter. I have heard it, every time that this question has come up, that it would affect the weaker roads, but would not touch the Michigan Central. Now I am opposed to this motion of Mr. Phillips, and if we are going to be held for damages let us provide a way to pay them. I intend to vote for this bill.

Mr. McGill:

I desire to say for the benefit of the gentleman from Van Buren county, that if any damages are awarded against the State of Michigan, the chances are that the question will come up before a jury in some court of this State. And it might happen, Mr. Chairman and fellow members of the House, the gentleman from Van Buren county might serve as a juror in that case, and if so, there would be no suspicion cast upon the verdict, whatever it might be. I desire to say that I am opposed to this amendment at this time. And say if it will in any way aid the passage through the Legislature of the State of Michigan of a bill, that will in any manner equalize taxation in this State, to repeal this charter, and will in any way help us I desire to vote for it. Because, when I came to this Legislature at this extraordinary session, I promised the people of my district and the people of my locality, to a great extent, that I would do everything in my power to help pass some bill that would equalize taxes in this State. Unfortunately, Mr.

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Chairman, when this bill came up in the House I was absent, and I do not care to have any man misunderstand my position. I am ready now or at any other time to go upon record in this matter.

Mr. Bemis:

I am willing to leave this section under discussion to the legal abiltiy of the House. This bill, as I understand it, is to place the Michigan Central railroad on exactly the same basis, as to taxation, as other railroads of this State are. I can see no reason why this should not be done. the Michigan Central can be brought under the general tax laws of this State, as to taxation, by the passage of this bill, I sincerely hope the bill will pass.

Mr. Colvin:

I move that we do not dilly-dally any more time over this matter. We have been nearly 18 days see-sawing backwards and forwards while we have been raiding the State Treasury at the rate of a thousand dollars a day, and at the end of the eighteen days we have all been hornswoggled. Now I hope we will get to work and pass this bill and settle it, so that it may go over to the other house, and then we will see whether they are honest in what they have been talking, and I hope we will do it without any further fooling. It is nonsense. We have been raiding the treasury at the rate of a thousand dollars a day for eighteen days and we can fool away another eighteen days and be just where we were when we started, and it will go to the other end of the House and I presume they will give it the same "sass."

Mr. Adams:

I hope the motion of the gentleman from Van Buren will not prevail. I do not see any harm in those two sections. Some provision should be made for money to pay damages if we are obliged to pay any. There is but one fault I find with it, and that is, it applies only to the Michigan Central. I wish it went further and included every special chartered road in the State. I am most heartily in favor of this bill.

Mr. C. C. Phillips:

"I am sorry that the gentleman from Wayne is so sensitive in regard to my remarks concerning a raid upon the treasury of the State. I cannot imagine why he should be so touchy upon this point. I have never accused him of making a raid upon the treasury and I certainly would not, and I am sorry that he is so sensitive to the insinuation. I did not mean to intimate or insinuate that any member of this House would do anything that would be dishonest, and would not be frank and manly and open in what he said. If I hurt the gentleman's feeling I am very sorry for it. Nevertheless, Mr. Chairman, I think I am right in asking to have these two sections stricken out. Now, the gentleman from Wayne has assured us that in his opinion—and his opinion has great weight with me and I believe that it has with other members of this House—in fact it is evidenced from the action of many of the members of this House, that it has very great weight, and I am sometimes foolish enough to think it has a little too much with them. I think perhaps it would be as well for some of us if we had a little more respect for our individual convictions. For one I expect to continue in the future, as I have in the past, to vote my own convictions, at all events what I believe to be right in regard to this bill, or any other bill that may come before us, and I do not think I shall ask that privilege of the gentleman from Wayne. I believe

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any member of this House will not question my right to make a motion upon the floor of the House, so long as I am in order and the Chair does not rule to the contrary; but, Mr. Chairman, the gentleman from Wayne has assured us that the repeal of the Michigan Central charter would not involve the State in any damages whatever, because the charter is of no value. This is the third time, at least, since I have been a member of this House, that the question of the repeal of the Michigan Central charter, or some part of it, has come before this House, and this is the first time that it has been deemed necessary for the gentleman who introduced the bill to put into it such a provision as this for the purpose of bonding the State to raise a sum of money to pay a possible judgment against the State. The assumption has been all the way through that the damages against the State would be very heavy. Certainly the gentleman from Wayne does not take that position, since he has assured us that if we repeal the whole charter there will be no damages to speak of. Now, if that be true, then from the repeal of one single article of the charter, bringing it under the general law of the State, the damages would not be great. And if the damages would not be great there would be no necessity for issuing the bonds. We can only issue bonds with a great expense to the State. It would probably be true that when a suit is decided the treasury of the State would have ample funds with which to pay. But no matter if the State has millions of dollars loose in the treasury when this decision is rendered. these sections 3 and 4 make it the duty of the Governor and the State Treasurer to issue bonds to pay it. Now, I maintain it will be time enough to provide for the issue of these bonds, after a judgment is rendered against the State.

Mr. Clute:

"I am in favor of this bill. The facts are that the railroads and the Vanderbilt family have got the most of the revenue of this State now, and if we make this provision for the issuing of bonds, then the Vanderbilts can buy the bonds and then they will have all the revenue, and I think that ought to be satisfactory to any gentleman on the other side, who has been upholding railroad legislation all the time.

The Chairman:

The motion is to strike out sections 3 and 4.

The motion to strike out did not then prevail.

The Chairman:

Are there any further amendments to the body of the bill? If not, the bill is passed. It is passed.

Mr. Shisler:

I move the committee do now arise.

Mr. Bemis:

I move that we take up House bill No. 5.

The Chairman:

The motion to arise is now in order.

Mr. Gillam:

I move that when the committee arise they recommend that this bill do pass.

The Chairman:

That follows as a matter of course.

The motion that the committee rise, then prevailed.

By the committee of the whole:

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The committee of the whole have had under consideration the following:

House bill No. 14, file No. 13, entitled

A bill to amend section 33, as amended of an act, entitled "An act to authorize the sale of the Central Railroad and to incorporate the Michigan Central Railroad Company," approved March 28, 1846;

Have made sundry amendments thereto, and have directed their chairman to report the same back to the House, asking concurrence therein, and recommend its passage.

C. G. Babcock,
Chairman.

Report accepted and committee discharged.

The question being on concurring in the amendment made by the committee to the bill,

The House concurred.

Pending the order that the bill would be placed on the order of third reading,

On motion of Mr. Scully,

The rules were suspended, two-thirds of all the members present voting therefor, and the bill was put upon its immediate passage.

Pending the third reading of the bill,

Mr. Stewart moved that there be a call of the House;

Which motion prevailed.

PROCEEDINGS UNDER THE CALL.

The roll of the House was called by the Clerk, and the following members reported absent without leave: Messrs. Belknap, Davis, Dudley, Jackson, Kelly, Otis, Pearson, Reed, Sawyer, Wetherbee, and Wing.

Mr. O'Dett moved that Mr. Pearson be excused from the operation of the call on account of sickness;

Which motion prevailed.

Mr. Shisler moved that Mr. Wing be excused from the operation of the call on account of sickness;

Which motion prevailed.

Mr. Fuller moved that Mr. Dudley be excused from the operation of the call on account of sickness;

Which motion prevailed.

Mr. Herrig moved that Mr. Sawyer be excused from the operation of the call on account of sickness;

Which motion did not prevail.

Mr. McGill moved that Mr. Belknap be excused from the operation of the call on account of sickness;

Which motion did not prevail.

Mr. M. G. Moore moved that Mr. Reed be excused from the operation of the call on account of sickness;

Which motion prevailed.

The Sergeant-at-Arms was dispatched after the absentees.

Mr. Chamberlain moved that the House proceed with its business under the operation of the call;

Which motion prevailed.

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The bill was then read a third time and the question being upon its passage, pending the taking of the vote thereon,

Mr. Smith moved that the bill be referred to the Committee on Railroads.

Mr. Smith:

I do this because I do not know much of what it means, and I would like to understand it better before voting. If it is simply a repeal of the taxing clause so there would be no provision for damages it is probably a proper bill, but under the elaborate arrangement made in the bill itself, for raising money by bonds, it shows that whoever drew that bill had some idea that there might be a large amount required. Now, my position is, and also that of those with whom I have talked, that this charter nor any other charter ought to be repealed without knowing somewhere within bounds what it is going to cost. Now, for this reason, I would like to see it referred to the committee. It is possible that somewhere in the State of Michigan there are people who are opposed to this repeal, and I should say that this House ought with its usual magnanimity, allow the right to petition; at least to allow anybody to come here and be heard who wishes to, on so important a subject. It is unusual to attempt to work through the Legislature such a bill as this, of such importance, with such haste; and I am sure, gentlemen, that many of us would feel as though we had done our good judgment a great wrong if we voted on so important a subject without some knowledge of what we are doing. The names attached to the bill make it appear that it comes from the other party, the party who probably will not hold themselves responsible for anything which we may do here. I should say that the leader of the silver forces in Michigan having drawn it, it bears the ear-marks of a party that might put us in a hole easily if they found a chance to, and with the names of other gentlemen who are here, it looks as though it might have been an arrangement between this other party and the gentlemen who are mainly responsible for this extra session.

Now, these things constrain me to hope that this bill will not be passed in a summary way; that we will all be given a chance to hear what the gentlemen have to say who know all about it, and who may be in favor of it, or may be opposed to it.

Mr. Donovan:

I wish to disabuse the gentleman's mind of the delusion that there is any collusion between the silver forces here and any other forces. We never sought any alliance of this kind, but an alliance against the silver forces has been made in this House, before now, and we were very sorry to see it, and judging from the way we felt at that time, we are not liable to make any alliance unless we are obliged to do so. We have not made any upon this occasion, I assure the gentleman on that.

Mr. Atkinson:

I am opposed to the amendment offered by the gentleman from Houghton. The railroad committee to which he desired to refer this bill has already reported out a bill to repeal the entire Michigan Central charter. The bill was introduced by the chairman of that committee.

Mr. Foote:

I wish to correct the gentleman; I did not introduce it; what I introduced was a repeal so far as the taxation was concerned.

Mr. Atkinson:

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Then it is the same as this bill. Now, I hope the Republicans of this House will not act on the theory that a bill cannot be introduced by a member of the opposition and be discussed upon its merits. We have had no members of this House who have acted more conscientiously and more unselfishly than the minority of this House; they have had nothing to gain from the legislation as far as personal honor and emolument would go, we have cornered what there was in it for ourselves, and yet they have voted solidly always for what they have considered right, and for principal, from the beginning of the existence of this Legislature up to the present time; in fact, they have saved our party on many an occasion from doing that which would have done us infinite injury; and now to have a gentleman appeal to us to defeat a bill simply on the ground that it was drawn by a man like Mr. Baker, who happens for the time being to be chairman of the opposing party, and introduced by a member of the opposition, seems to be very absurd.

I hope we will rise above this suspicion.

If the gentleman from Houghton knows nothing now, about the Michigan Central charter, then he will never learn until some commission is appointed who will sit up with him nights and teach him something about it. It has been discussed over and over in this House. He has professed to be ready to repeal this charter, and if he votes against this bill, it will be the last solemn seal of approval that I should want for the merits of the bill.

The motion to refer the bill did not then prevail.

The question being on the passage of the bill,

Mr. Stewart demanded the previous question.

The demand was seconded.

The question being shall the main question now be put,

The same was ordered.

The bill was then passed, two-thirds of all the members elect voting therefor, by yeas and nays, as follows:

YEAS.

Mr. Adams	Mr. Donovan	Mr. Oberdorffer
Allison	Eikhoff	O'Dett
Alward	Fleischhauer	Peek
Anderson	Foote	Perry
Atkinson	Foster	Peters
Babcock, C. G.	Fuller	Petrowsky
Babcock, H.	Gibson	Phillips, C. C.
Bates	Gillam	Phillips, M. F.
Bemis	Goodell	Powers
Billings	Goodyear	Putney
Bricker	Graham	Rulison
Brownell	Green	Savage
Bryan	Hammond	Scully
Buskirk	Harris	Shepard, F. M.
Cahoon	Herrig	Shepherd, F.
Caldwell	Hofmeister	Shisler
Camburn	January	Smith, C. R.
Campbell	Kerr	Stewart
Chamberlain	Kimmis	Stoneman

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Mr. Clark	Mr. Lusk	Mr. Tefft
Clute	Madill	Van Camp
Coad	Marsilje	Vought
Colvin	Mayer	Washer
Connors	McGill	Weier
Cousins	Molster	Whitney
Crippen	Moore, E. W.	Widoe
Dickinson, J. H.	Moore, M. G.	Zimmerman
Dickinson, L. D.	Niedermeier	Speaker

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NAYS.

Mr. Smith, C. 1

The question being on agreeing to the title,

Mr. Gillam moved to amend the title by adding at the end the words, "And to provide for the recovery and payment of damages to said Michigan Central Railroad Company."

(From this point the stenographers furnished no copy. Journal Clerk.)

Mr. Atkinson:

I do not think that this addition should be made to the title. As it is, the title is complete, and nothing further is needed.

Mr. Gillam:

If the gentleman from Wayne is satisfied with the title, then I certainly am. I withdraw the amendment.

The title was then agreed to.

The Sergeant-at-Arms announced Mr. Otis at the bar of the House.

Mr. Otis was admitted within the bar, rendered an excuse and took his seat.

Mr. Atkinson moved to reconsider the vote by which the House refused to excuse Mr. Sawyer from the operation of the "call."

Mr. Herrig moved to amend the motion so as to include all absentees whom the House refused to excuse.

Which was accepted.

The motion to reconsider then prevailed.

The question then being on excusing the absentees under the "call,"

The motion then prevailed.

On motion of Mr. M. G. Moore,

All further proceedings under the call were dispensed with.

On motion of Mr. M. G. Moore,

The House adjourned.

Lansing, Saturday, April 9, 1898.

The House met pursuant to adjournment and was called to order by the Speaker.

Roll call: quorum present.

Absent without leave: Messrs. Clark, Pearson and Wetherbee.

On motion of Mr. Perry,

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Leave of absence was granted to Mr. Clark indefinitely on account of death in his family.

By unanimous consent,

Mr. Lusk moved to take from the table the following resolution:

Resolved (the House concurring), That from and after April 9th, 1898, the two Houses of the Legislature will transact no other business than for the President of the Senate and Speaker of the House to sign enrolled bills for the approval of the Governor and the entry of the same on the Journal by the Secretary of the Senate and the Clerk of the House, and the final adjournment of the Legislature shall be on the 11th day of April, 1898, at 12 o'clock noon of that day;

Which motion prevailed.

The question being on concurring in the adoption of the resolution,

Mr. Lusk moved to amend the resolution by striking out in the first line the date "April 9th" and inserting the date "April 12th" in lieu thereof; also by striking out in the next to the last line the date "April 11th" and inserting the date "April 13th" in lieu thereof.

The question being on agreeing to the amendment,

Mr. Colvin:

I would like to have us stay and complete our work. Be I out of order?

The Speaker:

The gentleman is in order.

Mr. Colvin:

I would like for us to stay and finish up what we have got to do. Let's be liberal and stay here until we get done with our business. I am willing to stay. I have always been set in my way, and I have always advocated 16 to 1, but now I am willing to take 16 to 15. Let us stay and stick to our work until it is done.

Mr. Sawyer:

I do hope that this amendment will not carry. We have finished all the work there is for us to do, and there is no reason why we should stay here and play horse—I will withdraw that statement. I see no reason why we should stay here and fool away our time. We have got on the table before us a resolution for adjournment; that is a proper resolution, and I for one am in favor of adjourning. We have completed everything that has been sent to us to do by His Excellency, the Governor; we have done all we could do, and it is time we went home and took care of our business.

Mr. Fuller:

I am in favor of this amendment. It seems to me that now when the affairs of the nation are at a crisis, and we are expecting a message from the President of the United States declaring war, to adjourn now and go home, it seems to me, it would look like child's play. It seems to me we should stay here and get the message from the Governor.

Mr. Lusk:

We may not all agree in the course that the Governor has taken respecting this war measure and the taxation measure, perhaps, and I am quite sure that a great many members on the floor of this House are not satisfied in their own minds at the delay in regard to the consideration of these questions; but yet we are not advised of the Governor's position in this matter. He may be willing and ready at the proper time

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to present to the Legislature sufficient reasons to justify him in the course he has pursued respecting these questions.

It has been asserted here by those who know, that the Governor intended to present to the Legislature no later than Thursday of the past week a special message upon the subject of the war appropriation, that message only having been withheld awaiting a message that was expected to come from the President of the United States to the National Congress; when the news came over the wires that the sending of that message had been postponed until Monday, the Governor, for reasons best known to himself, has seen fit to withhold his communication upon that subject to this Legislature, and until we are made familiar with the reason for the withholding of this message, it seems to me highly improper that this House should rush to a final adjournment without giving consideration to this important subject. I believe the time is at hand for us to take our share of the responsibility and to show our patriotism with respect to this measure. While we may not be entirely agreed on certain conditions that have occurred within the last twenty-four hours, I believe it is time now for us to act and to act in such a manner as to reflect credit upon our integrity and patriotism. I am willing to suffer inconvenience and discomfiture personally as a member of this House, that these matters may be properly and rightfully considered, and therefore I hope the sense of the House will be to await the coming of the message which has been promised from the President of the United States to the National Congress, and upon its presentation, we will receive from the Governor a communication with regard to the necessities of the hour upon the war proposition. I believe we should so arrange our affairs as to be able to receive from the Chief Executive a special message not later than Tuesday, and for that purpose the machinery of the Legislature will be in session, and I believe everything can be properly adjusted and final adjournment can be taken not later than next Wednesday. I hope this will be the sense of this House.

Mr. Sawyer:

Mr. Speaker—

The Speaker:

For what purpose does the gentleman from Washtenaw arise?

Mr. Sawyer:

A matter of personal privilege.

The Speaker:

State it.

Mr. Sawyer:

I do not want anybody to understand that I desire to escape any labors in this body or anywhere else that is due to the position I occupy. I am ready to suffer as long as any other gentleman upon this floor if anything good can come from it, but I hold in my hand a statement which seems to have emanated from the Executive, and on which I base my opposition to this amendment, and with the consent of the House I will read it.

The Speaker:

I do not think the gentleman is speaking on personal privilege.

Mr. Sawyer:

I am privileged to take up this matter as I do, because the Governor

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has publicly stated that he will not send any such war message to this House and to the Senate.

The Speaker:

The Chair will rule it out of order.

Mr. Atkinson:

Isn't it always a matter of privilege to abuse the Governor?

The Speaker:

The Chair will rule the gentleman from Wayne is not in order in making any such statement.

Mr. Atkinson:

I was only asking for information.

Mr. Sawyer:

It is always in order for a man to state the reasons for his vote, but is it out of order for me to state because I sincerely believe in a certain line—

The Speaker:

The Chair will state the gentleman from Washtenaw has already given his views upon this question, and under the rules he is entitled to talk but once upon the same question. The gentleman from Washtenaw is clearly out of order.

Mr. Lusk:

On the question of the amendment I demand the ayes and nays.

The demand was seconded.

Mr. Savage:

Upon this amendment I am ready to vote now, and upon this resolution I am ready to vote at any moment, ready and willing to go on record at this time in opposition to this amendment; but I want it understood, however, that in voting this way my patriotism and my sincerity in this matter is just as great as any other member on the floor of this House. I am ready and willing to stand by the Governor of the State of Michigan in this proposition, but it seems to me it might have come somewhat earlier. The state of New York, the state of Ohio and other states in this Union have taken this matter into consideration two weeks ago, and have passed similar resolutions. The Governor of the State of Michigan knew as well as we know that today would be the last day of the extraordinary session. He knew we could pass this resolution fixing the date of final adjournment for Monday at noon. The Senate has adjourned until Tuesday evening, I believe; I was just so informed in the Senate. That means that they will convene some time Tuesday evening. The resolution will not be considered, and it will need another delay and hold this House in session another week at the expense of the people of the State of Michigan. You say why at the expense of the people of the State of Michigan. It is true, perhaps, the members will not draw any compensation, but the vast number of employes, clerks, messenger boys, postmasters and other expenses, gas bills, are running up for the State to pay, and by these dilatory tactics matters have been postponed and delayed, I believe intentionally.

Now, is it right to ask the members of this House to continue this farce-comedy any longer? I maintain that we have been playing fox and geese with the people's money long enough. Let us adjourn and go home, and if there is a message to come, let it come today, and we will act upon it today.

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Why didn't we act upon this resolution last night instead of laying it upon the table? We would have been able to act intelligently upon it then, instead of forcing the resolution upon the table and letting the Senate adjourn. And here we are. We know not what is coming; we have no idea whatever. I say it is high time, being convened here in extraordinary session to consider the advisability of raising more taxes to lighten the burdens of the taxpayers of the State of Michigan, to stop and not continue this game for three or four weeks longer, spending the people's money, when the people are now so overburdened with taxation. No one knows how this matter will terminate, whether in a reality or not; we ourselves do not know what the message will be. We know as much about it now, and we knew as much about it two weeks ago as we do today. Still we are asked to continue in session another week.

I hope this amendment will not be agreed to, and that the resolution as originally adopted by the Senate may be adopted by this House and the date for final adjournment fixed for Monday at noon, so that we may go home and say to our constituents, we stayed no longer than we were compelled to stay. When our duties were performed, we ceased to spend the people's money and went home.

Mr. Bates:

I am opposed to the amendment offered by the gentleman from Bay, and coincide with the views expressed by the gentleman from Washtenaw.

We were called here in extraordinary session, and what has been the result of it? By an almost unanimous vote, this House passed Bill No. 1, which going over the Senate has been defeated; the Senate then passed what is known as the Barnum bill, and that is immediately laid upon the table here; and so last night we passed the bill by almost unanimous vote to repeal the charter of the Michigan Central railroad of which so much has been said; and that has gone to the Senate, and in all human probability, if it may be prophesied, it will meet with the same fate there that this other bill that passed here did.

Now, for one, I am tired of this shuttle-cock business; the House passes a bill and the Senate defeats it, the Senate passes a bill and the House lays it upon the table.

When this bill known as the Barnum bill came over here, a bill providing for a commission, it seemed to me under the circumstances it would be wisdom on our part to immediately take that bill up for consideration. I am one who has long recognized the inequalities of taxation in the State of Michigan, not only so far as railroads and other corporations are concerned, but so far as the general property of the State is concerned. There is no equality of taxation or settlement of values in the rural districts of the State; there is no equality of assessment as between counties; we all recognize that, and now this Barnum bill proposes a commission which shall take into consideration the whole question of taxation, and it is incontinently laid upon the table and no consideration is given to it.

A moment ago the distinguished gentleman from Wayne, for whom I have the most profound respect, and for whom every member of this House has the most profound respect, I believe, raised the question as to whether there was any time when it was not in order to abuse the Governor. I want to say to you, Mr. Speaker and gentlemen of the House, in

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all probability there are members here who oppose the Barnum bill because it was recommended by a distinguished citizen of the State of Michigan, a citizen whose patriotism is as broad as the country, whose charities are as wide as the State; a man who has done more for the development of the State of Michigan than any other man in the State, not only within the last year and within the last five years, but within the last twenty-five years, and because he recommended the passage of this bill, it is believed by many that it should be defeated or laid upon the table.

No, sir: Speaking about abuse of the Governor of this State, I am one who has come here and no man upon this floor has heard me utter one word of abuse against the Governor. I have voted for these bills that have come up here and placed myself on record, but I was in hope of having an opportunity of taking up this bill known as the Barnum bill; but I have made up my mind that it is evident that no intention exists for discussion of that bill, and that is the only measure, it seems to me, that is now before us, which will stand any possible chance of becoming a law, and so I agree with the distinguished member from Washtenaw that the best thing to do is to adopt the concurrent resolution of the Senate and not indulge in any more rainbow chasing. Of course, I say "rainbow chasing." That may be an esthetic and delighful occupation, but it does not yield practical results, and I believe, sir, that so far as the legislation is concerned that all has been accomplished that can be accomplished at this session under the proclamation, or rather the message already given to the two Houses by the Executive.

Now comes up the question of the necessary action—and I use the word "necessary" with all possible emphasis—the necessary action in regard to an appropriation for the occasion concerning the war measure. Much as I deprecate it, it seems to me, as it does to all men here, I believe, that war is really imminent. I have not believed it, but unfortunately I am compelled to accept the situation; it is a condition and not a theory, and it is our duty as citizens of the State of Michigan, a State whose record is second to none in patriotism, a State which back in 1861 had a depleted treasury when the war cloud settled over our country, and the sound of war was heard, a State that had no money in its treasury, and some very patriotic gentlemen, headed by that magnificent man, Henry P. Baldwin of Detroit, met at the old Michigan Exchange and there made a pledge to the Governor of the State of Michigan of their individual credit, and then action was immediately taken by a special session of the Legislature; I say that a State like ours which not only furnished its money but tens of thousands of soldiers for the field, a State which since then has grown in strength, wealth and population until it is the pride, not only of the citizens of this State, but of the balance of the states in the Union, is a State that should under existing circumstances do everything that is required of it by the government of the United States for the purpose of upholding the hands of that conservative—thank God, that conservative, careful, prudent, patriotic and great president of the United States, William McKinley.

There is time now between this hour and the time fixed for the final adjournment in this concurrent resolution for the Executive to deliver his message to the Houses of the Legislature, and we can take action and go home. It won't take five minutes, Mr. Speaker, from the time that a bill it presented here in accordance with the message of the Governor

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to pass it in this House, and to go across and be passed in the other House, and thus become law.

Now, I hope, with all deference to my distinguished friend from Bay that that motion to amend will not prevail, and that we will adopt the concurrent resolution, and in the meantime we may receive from the Governor of the State his notification in regard to his desires.

Mr. Kelly:

Inasmuch, Mr. Speaker, as we are here at the call of the Governor of the State, I would like to ask the distinguished gentleman from Wayne, if he will ouline at this time the desires of the Executive as to this matter of adjournment and what the proposition to be submitted to us is, if there is a proposition. I would like to have an answer to this question that I may be able to vote intelligently upon the matters before us or that may come before us.

Mr. Atkinson:

I don't know which gentleman from Wayne the gentleman wants to inquire of.

Mr. Kelly:

I am referring to the gentleman on the floor.

Mr. Atkinson:

I beg pardon. I have not been accustomed to be designated by that name. Now, Mr. Speaker and gentlemen of the House, as stated by my expectant friend from Flint, whose petition is likely to be acted upon within a few days by his patron, we are confronted with a situation. We have a Legislative strike; with the resolution of the other House lying on our table for an adjournment until Tuesday next. We are informed that that House has taken a recess until Tuesday night. I am not sure that I know what the parliamentary rules are upon the subject, but I presume the Governor cannot send a message to the House alone; that he would have to have the Senate in session. The whole Legislature, I presume, would have to hear the message. So that I don't understand the executive is in a position where he could possibly send a message today, the Senate having adjourned. If I am wrong on that——

The Speaker:

The message could be sent to each House separately. The message could be sent to the House today and to the Senate later.

Mr. Atkinson:

I understand the gentleman from Flint desires the message sent to the House today, then he desires the Legislature to adjourn sine die before the Senate meet Tuesday next, and he is opposed to this amendment.

The Speaker:

The chair has no official notice on that point.

Mr. Bates:

I will say in reply to that, that I didn't know until just now—Senator Westcott told me—that the Senate had adjourned until Tuesday night.

Mr. Atkinson:

If you had known it would you have made the speech that you did, if you had known the facts?

Mr. Bates:

I cannot understand the object, or relevancy of that question.

Mr. Atkinson:

I understand it the gentleman still urges that the message be sent

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into the House today, the House take action on it, then we carry a resolution for adjournment at noon so that the Senate cannot act upon it. Then he wants to play patriotic and accomplish nothing. Now I don't think the gentleman from Flint can possibly mean this; he must be acting upon some other misinformation than what he has disclosed in his speech.

Now, I desire to say with reference to the war message, we are not the only legislative body in the world that is filled with jingoes and trying to force the hands of the Executive. The president of the United States who has been so properly eulogized—I wish he had been eulogized by some one who did not expect a commission within a few days, and who has also been under pressure for the last few weeks, and he has stood firm, not desiring to launch this country into war if he could possibly avoid it, hoping to gain by diplomacy rather than by the sacrifice of human life.

Our own Executive has had a message prepared since last Wednesday to submit to this Legislature expecting that the message of the president of the United States would be delivered on Wednesday, so that the lines on which his message should be submitted would be clearly before him. He wants to meet the emergency; he is not a man who wants to pretend to do a thing and not do it. He desires to submit a message to the House that will cover the subject, and he desires to place himself absolutely in line with the federal authorities who will be the guard of honor of this country in case of war. He hopes there will be no war, but if war comes he has his record behind him which speaks for his record in the future.

Now he expected to send that message in, just the moment he received the message from the president of the United States, or had telegraphic information as to what lines the president would lay down. This has been no secret; it has been stated openly to a dozen members on the floor of this House; it was communicated to those who are recognized as leading members of the Senate, so that they knew this morning when they adjourned until Tuesday, that it was the wish of the Executive to submit upon Monday his message to both Houses, with the policy properly prepared by the war department of the State to carry out the wishes of the president, whatever they might be. Knowing that he was to submit that message on Monday, we had a legislative strike. They have gone home until Tuesday night so as to prevent it.

The Speaker:

That is not in order. The gentleman has no right to reflect upon the Senate. The gentleman from Wayne has no right to condemn the action of the Senate.

Mr. Atkinson:

I am only stating the facts.

The Speaker:

It is unparliamentary nevertheless.

Mr. Atkinson:

If the facts carry condemnation, then I am only reciting history. We cannot read the history of this body without being unparliamentary. I have not reflected upon the Senate, at least; if I did, I apologize.

Now, the gentleman has shown an intention to discuss the bill that lies on our table. He says it has been laid on the table because it was

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suggested by an eminent citizen who has done so much for the State of Michigan. I presume we all know who he means. He is a gentleman I do not intend to say one word against, but I do deny that that gentleman has ever suggested the abortion that lies upon our table. The gentleman from Flint suggested that a commission of three be appointed by the Governor; instead of that we have a bill here in which five gentlemen have been selected to serve this State, one of them is a mugwump who betrayed James G. Blaine; one of them a mugwump who betrayed Wm. J. Bryan, and the other three are nondescripts. Now, I claim that a man who betrays his party under such a glorious leader as Blaine, or under such a splendid leader as Bryan, will betray his country when he gets a chance. It is only one step further to betray your country than to betray your party, and these fossilized mugwumps are said to be the suggestion of so eminent a man as the patron of my friend from Flint. He has made no such suggestion; I think he would be sorry to make such a suggestion. I never knew that he had any use for mugwumps of either party, and I dont believe he has.

Now let us see, what next. We are told that we have been rainbow chasing. My venerable friend from Saginaw has been willing to compromise with us under the idea of 16 to 1 and calling it 16 to 15, so as to get something done. We have passed a bill in this House that received 90 votes and it received 15 votes in the other House; that is 105 out of an entire membership of 131. It was passed in obedience to the petition of nearly one hundred thousand of our people, and 15 men, or 16 men, I believe, acting under such pressure as we know has been brought upon them, have been able to defeat the will of 105 backed up by one hundred thousand petitioners and backed up by almost the solid sentiment of this State; 16 to 1 is not in it.

This miserable minority representing nothing but corruption, has been able to defeat the will of these people.

The Speaker:

The Gentleman is not in order. This is a serious reflection upon the Senate and is entirely unparliamentary, and will tend to breed trouble between the two Houses.

Mr. Atkinson:

I think, Mr. Speaker, you are quite right. I should not have said it, but "Out of the abundance of the heart———" I forgot the rest of the quotation; but I only alluded to what my friend calls rainbow chasing. Is it rainbow chasing when a majority of the people in a republic try to pass wholesome laws for the government of the State? Is this rainbow chasing? Or in other words have we got to consult some little select coterie so that we may exist in the eyes of the gentleman from Flint; and you precious minority, you dear creatures, you are so nice that we hardly know what to do with you. If you could only multiply yourselves so that you would be somewhat useful, so that you could even carry your own ideas into effect; but you are so select that there is not enough of you for any practical use.

Mr. Lusk:

Mr. Speaker.

The Speaker:

The gentleman from Bay, Mr. Lusk.

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Mr. Atkinson:
I was just waiting for this.
Mr. Lusk:
I desire to call the Colonel to order.
The Speaker:
State your point of order.
Mr. Lusk:
If the last statement made is a reflection upon the gentleman from Genesee, I think it is highly out of order and improper.
Mr. Atkinson:
What statement is that?
The Speaker:
Will the gentleman make his point of order clear?
Mr. Lusk:
The proposition that he suggests, he makes it directly against the gentleman from Genesee as reflecting upon his conduct during the session of the Legislature.
Mr. Atkinson:
I didn't hear anything of the kind.
The Speaker:
You were speaking about the minority and not individuals of this House. The chair does not understand what minority you refer to.
Mr. Atkinson:
I was speaking entirely about a simple minority and didn't suppose the gentleman from Genesee composed a minority. The gentleman from Genesee was identified with the majority when he placed himself upon record upon the vote, even if he wished in heart to be recorded with the minority, so that he can go back to the people as one of the people; but if he did not really represent his honest sentiments, I am not responsible for it.
The Speaker:
There is something insinuating in this last remark. Last night the gentleman from Wayne took the position upon the floor that no one should be charged with dishonesty, now he is insinuating that the gentleman from Genesee was not acting his conviction.
Mr. Atkinson:
I really don't think I should have said it.
The Speaker:
I think not.
Mr. Atkinson:
I apologize to the House and to the member from Flint. I don't see what we can do ———
Mr. Bemis:
I rise to ask the gentleman from Wayne a question.
The Speaker:
Does the gentleman from Wayne desire to be interrupted?
Mr. Atkinson:
Oh, yes.
Mr. Bemis:
I would like to ask the gentleman from Wayne how many more times and how long at this time are we expected to listen to such statements as he is making concerning the minority and individuals of this House?

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Mr. Atkinson:

I can answer that very readily. As to the gentleman from Montcalm, he won't sit long under anyone's speech unless it is his own.

The Speaker:

The Sergeant-at-Arms will remove any visitors who are applauding.

Mr. Atkinson:

I feel indignant enough myself to pass the concurrent resolution just as it lies upon our table; but I don't think we can afford to be boys; I don't think we can afford to let our resentments affect our public conduct; but I believe that the amendment offered by the gentleman from Bay is absolutely essential to the well-being of the State, and that, unless some such resolution is passed so as to allow us to finish up the public business, that the public business will seriously suffer and possibly compel the Executive to call us again in extraordinary session. That is a thing I think we would all be anxious to avoid, so that I hope that in that view the amendment offered by the gentleman from Bay will be adopted.

Mr. Chamberlain.

Mr. Speaker, it strikes me that there is another reason why this amendment should be adopted in addition to that stated by the gentleman while on the floor. This House, you will remember, having passed a bill last night that has been more talked about, perhaps, than any other railroad bill in the Legislature of this State in the last———

Mr. Sawyer (interrupting):

I ask for the question of privilege.

The Speaker:

Does the gentleman desire to be interrupted?

Mr. Chamberlain:

Yes, sir.

Mr. Sawyer:

I wish to ask the gentleman from Gogebic whether he is in favor of holding the rest of us here four or five days when he himself got excused last night permanently?

Mr. Chamberlain:

I desire to say for the edification and enlightenment, and also for the information of the gentleman, that I had made arrangements to leave last night; but that believing that there were very serious interests of the State involved, questions regarding the welfare and honor, not only of the State of Michigan, but of this Legislature, I have cancelled all engagements, and I am here to stay until the end of the war.

Now, Mr. Speaker, proceeding, as I was stating, there is one bill which has received the serious consideration of every Legislature of this State for the last fifteen years, and I know myself that during the last three sessions of the Legislature that I have had the honor of being a member of this House, it has been more talked about, more discussed, than any other bill before the Legislature of Michigan, and that was the bill for the repeal of the Michigan Central charter.

Now, Mr. Speaker, the House last night passed that bill almost unanimously, and it has gone over to that distinguished, able and patriotic body of gentlemen who are anxious, I understand, in this case, to serve

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the interests of the people of the State by passing this bill. At least they so stated yesterday upon their own floor.

Now, Mr. Speaker, that distinguished and able body of gentlemen have decided to adjourn until next Tuesday night, and they have passed a motion, and their members are over here now on this floor discovering what kind of a sea or tempest they have cast the House into. I insist that this amendment ought to be adopted, so that instead of returning next Monday noon as the resolution recites, when these able gentlemen return anxious to serve the wishes of the people, they will have the right and the privilege and the honor and the credit of acting upon that bill and passing it.

Mr. Savage:

Mr. Speaker, I want to ask the gentleman from Gogebic a question.

The Speaker:

Does the gentleman desire to be interrupted?

Mr. Chamberlain:

I think he had better wait until I am through before he asks his question.

The Speaker:

The gentleman does not care to be interrupted. Proceed.

Mr. Chamberlain:

Now, Mr. Speaker, this is only one reason why we ought to remain. Another and more serious reason is the fact that it has not been possible, as I happen to know, in the mind of any one, that a message could be sent here regarding the matter that is very close to the hearts of the people of America; that is the message concerning the war appropriation. We have heard from the distinguished gentleman from Wayne that the Governor was prepared to send that message just the moment he knew how to frame it in accordance with the sentiments at Washington.

Mr. Speaker, I ask any lawyer upon this floor, who is honest in his conviction, and I give every one of them that credit, what they think of what is called the appropriation bill. The courts have largely held against them, and the only way that the bill could be framed, until we knew the exact situation, until there was absolute war perhaps, or its absolute certainty, would be that in case such and such matters occurred that it should be taken from the treasury, etc.; there is not a lawyer who will not acknowledge, if he acknowledges the fact, that the courts have held against such bills as that. This bill, with its half a million appropriation, is a serious matter, and if we pass it at all we ought to pass it right.

Therefore, Mr. Speaker, I do not understand how any gentleman, if he has the interest of the State at heart, knowing the feeling as he must, that before next Monday evening there will be a message upon this subject presented to the Legislature, and decide to adjourn now and force the Executive into the position of calling us back to perform the duties that should have been performed before we went away.

Therefore, I hope the vote in favor of this amendment will be unanimous and that before we leave here next Tuesday or Wednesday we shall have performed all the duties required of us; and we can go back to our people satisfied with our own judgments and our own consciences.

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Mr. Bates:
Mr. Speaker, I desire just a moment's attention.
The Speaker:
For what purpose does the gentleman arise?
Mr. Bates:
I have got an amendment.
The Speaker:
The gentleman will not be in order.
Mr. Bates:
On a question of personal privilege.
The Speaker:
Will the gentleman state his question of personal privilege?
Mr. Bates:

That is to say, that so far as the personal remarks of the distinguished gentleman from Wayne are concerned I take no particular exception to them, but I think they are unworthy of him, and that if he had properly considered the matter that they would not have come from him.

The next question of privilege I raise is in regard to this amendment. I made the remarks I did in regard to the amendment on the information that the Senate was about to adjourn until Tuesday. I was not aware that they had adjourned, consequently in reply to the assertion of the gentleman from Wayne, my remarks were not made for the purpose of interfering with legislation, but rather in the interests of accomplishing something in the direction of the Governor's proposed message. That is the only statement that I want to make in regard to it, excepting this: That if by adopting the amendment offered by the gentleman from Bay we can avoid another special session, as the gentleman from Wayne states, I certainly am very much in favor of the amendment on that basis. I shall certainly vote for the amendment. I do not want to come here to another special session if I can posibly help it.

Mr. Donovan:

There is a condition of affairs now before us, Mr. Speaker, that demands that we go a little slow. There is no possibility of having this message come in here and receiving the attention that it ought to receive this week, and if that message were to come in here today, or to come in at any time before war was actually declared, there would be as much division of sentiment upon it, as much division of opinion as there has been upon the message before us and acted upon here. I am not prepared to vote for an appropriation until I know that it is needed. When I know it is needed, then I am ready to vote for it, and not until then. I think my colleagues here feel the same.

Now, the majority of this House have a condition to face also. Explanations have to be made when they go home, and some of these explanations will be hard to make, and it will take a good while to make them. It looks to me a good deal, or reminds me somewhat of a story that I heard some years ago. A Scotch minister came into a new parish, and he was anxious to find out how the people stood there, so he began to make visits around among his parishioners, and one day he came to the house of an old lady who prided herself on her orthodoxy. He began to inquire about the members of the parish and he asked about this one and that one and the others. Most all of these, in the lady's opinion, were tainted, and some very much indeed, as far as orthodoxy was con-

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cerned. Finally it narrowed down to herself and husband, whom she called John. She says: "To tell you the truth, minister, I am sometimes afraid John isn't quite right." There was not one there right excepting herself. Now, it seems to me the condition in the House here is somewhat similar to that. It is hard to know who is right here, and the majority have my sympathy. I extend it freely. The minority will have no explanations to make when they go home. They have acted conscientiously, they have tried to leave politics out on every occasion on the questions before us. I wish the other side had done the same thing. Had they done so, something would have been accomplished before this time, and done to the satisfaction of the people of this State.

Mr. Kimmis:

Mr. Speaker, when it comes to that point, there can be no question in regard to the patriotism of every member of this House and of every citizen of the great State we have the honor to represent. Great opportunity has now been given for the exhibition of that patriotism on the part of those who desire to be heard. But what assurance have we at this time that we will be ready for final adjournment next Tuesday noon. The condition which confronts the nation is very extraordinary. I do not believe that we are ready now to fix the time for final adjournment, and without further remarks, gentlemen, I move that the amendment be laid upon the table.

The Speaker:

The gentlemen moves that the amendment be laid upon the table;

On which motion,

Mr. Lusk demanded the yeas and nays.

The demand was seconded, and the motion did not prevail, by yeas and nays as follows:

YEAS.

Mr. Allison	Mr. Colvin	Mr. Jackson
Anderson	Crippen	January
Atkinson	Dickinson, J. H.	Kimmis
Babcock, C. G.	Dickinson, L. D.	McGill
Babcock, H.	Eikhoff	Molster
Bryan	Foster	Petrowsky
Cahoon	Gibson	Putney
Chamberlain	Gustin	Tefft
Clute		

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NAYS.

Mr. Adams	Mr. Green	Mr. Reed
Alward	Hammond	Rulison
Bates	Harris	Savage
Bemis	Herrig	Sawyer
Billings	Hofmeister	Scully
Bricker	Kelly	Shepard, F. M.
Brownell	Kerr	Shepherd, F.
Buskirk	Lusk	Shisler
Caldwell	Madill	Smith, C.
Campbell	Marsilje	Smith, C. R.

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Mr. Coad	Mr. Mayer	Mr. Stewart
Connors	Moore, E. W.	Stoneman
Cousins	Niedermeier	Van Camp
Donovan	Oberdorffer	Vought
Dudley	O'Dett	Washer
Fleischhauer	Otis	Weier
Foote	Peek	Whitney
Fuller	Perry	Widoe
Gillam	Peters	Wing
Goodell	Phillips, C. C.	Zimmerman
Goodyear	Phillips, M. F.	Speaker
Graham	Powers	65

The question being on the motion to amend the resolution,

Mr. Atkinson:

I rise to offer an explanation.

The Speaker.

Is it a question of personal privilege?

Mr. Atkinson:

I think it would be upon that ground, Mr. Speaker.

The Speaker:

Does the gentleman put it upon that ground?

Mr. Atkinson:

I will put it upon that ground. I desire to say that I have just had a conversation with the Governor, and he states that in obedience to the apparently general wish of the House, while he would prefer himself not to send the message until Monday, so that he could be better informed upon the subject, he will send in a message for the war appropriation within a few moments.

The Speaker:

The question is on the amendment. The Clerk will call the roll.

The motion to amend the resolution then prevailed, by yeas and nays, as follows:

YEAS.

Mr. Alward	Mr. Donovan	Mr. Petrowsky
Anderson	Eikhoff	Phillips, M. F.
Atkinson	Foster	Putney
Babcock, C. G.	Fuller	Shepard, F. M.
Babcock, H.	Gibson	Shepherd, F.
Bates	Goodell	Shisler
Brownell	Graham	Smith, C. R.
Bryan	Herrig	Stewart
Cahoon	Jackson	Tefft
Campbell	January	Vought
Chamberlain	Lusk	Weier
Clute	Marsilje	Widoe
Colvin	McGill	Zimmerman
Crippen	Molster	Speaker
Dickinson, L. D.	Oberdorffer	44

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NAYS.

Mr. Adams	Mr. Green	Mr. Perry
Bemis	Gustin	Peters
Billings	Hammond	Phillips, C. C.
Buskirk	Harris	Powers
Caldwell	Hofmeister	Reed
Coad	Kelly	Rulison
Connors	Kerr	Savage
Cousins	Kimmis	Sawyer
Dickinson, J. H.	Madill	Scully
Dudley	Mayer	Smith, C.
Fleischhauer	Moore, E. W.	Van Camp
Foote	O'Dett	Washer
Gillam	Otis	Whitney
Goodyear	Peek	Wing

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The question then being on concurring in the adoption of the resolution,

On motion of Mr. Kelly,

The resolution was laid on the table.

Mr. Graham offered the following:

Resolved, That the State printer be and is hereby requested to print and furnish to this House two thousand extra copies of the Journal of Friday, April 8th.

Mr. Graham:

I am informed that the Journals already printed are exhausted, and a large number of the members desire to get them to send to their constituents. I therefore offer this resolution.

The resolution was then adopted.

His Excellency, the Governor, appeared in person at the Clerk's desk bearing a message, and which

The Speaker at once announced, as follows:

EXECUTIVE OFFICE,
Lansing, April 9, 1898.

To the Honorable, the Senate and House of Representatives:

It becomes necessary in the light of the history of the last few days to make recommendations to the Legislature of Michigan in addition to those contained in the message from me delivered at the opening of the present special session.

Deeply as the fact must be deplored by all citizens who have the welfare of the country at heart, the United States may be on the verge of a foreign war. If war is to come, beyond doubt the State of Michigan will lay aside for the moment all differences of opinion upon political and domestic questions. It will acquit itself in a manner worthy of its old time record for loyalty and patriotism.

Without discussing in detail the present national situation, which is familiar to all, I would recommend that an act be passed at once by the Legislature, authorizing a war loan of $500,000.00, such act to be on the general lines of the war loan authorized by the Legislature of Michigan

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during the last war. Such part of that sum as is necessary to arm and equip the military and naval forces of the State that may be called for by the President should be made available at once.

It is further recommended that such legislation be passed as shall provide for the recuiting and field organization of the National Guard, Naval Militia and Volunteer Militia of the State in accordance with modern military experience. The law should authorize the recruiting of National Guard and Volunteer Militia companies to a strength not exceeding one hundred and fifty men to a company, with the necessary complement of officers.

The acts of the Legislature to these ends should be given immediate effect.

There is another matter of importance to which I respectfully invite your attention.

A large part of the work of the Adjutant General's office consists in furnishing the soldiers of the last war with certificates of service and army records and no military fund is available under present laws for this purpose. The old soldiers should be furnished with these records when they request it, and the Adjutant General should not be expected to divert funds from their lawful object in order to carry on this important branch of the military department.

I would recommend that a joint resolution be passed authorizing the State Board of Auditors to audit claims to be paid out of the general fund to cover the expense of this work.

Very respectfully,

H. S. Pingree,

Governor.

The message was ordered spread on the Journal.

Mr. Chamberlain, unanimous consent having been given and leave being granted, introduced

House bill No. 17, entitled

A bill to authorize a war loan and providing for the disbursement of the proceeds therefrom and for a war loan sinking fund for the purpose of liquidating the loan.

The bill was read a first and second time by its title and, pending its reference to a committee,

Mr. Chamberlain moved that the bill be referred to the committee of the whole and placed on the general order;

Pending which,

Mr. Sawyer:

I hope that motion will not prevail and I hope the gentleman will withdraw it. It seems that the proper thing to do with this measure is to put it upon its immediate passage. This bill has been prepared and carefully considered by gentlemen who are perfectly competent to frame such a measure, and there is no reason why there should be any delay in passing it at all. Certainly the sentiment of the House is entirely unanimous on the subject. I move you, therefore, as a substitute for the motion of the gentleman from Gogebic that the rules be suspended and that this measure be put upon its immediate passage.

The Speaker:

The Chair will entertain that as an original motion, taking precedence of the previous motion.

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The motion that the rules be suspended and that the bill be put upon its immediate passage then prevailed, two-thirds of all the members present voting therefor.

The bill then having been read a third time and the question being upon its passage, pending the taking of the vote thereon,

Mr. Perry moved to amend the bill by striking out the words "4 per cent" and substituting therefor the words "3½ per cent."

Mr. Perry:

Mr. Speaker, it strikes me that with the well-known high financial standing of the State of Michigan, the high credit that the State of Michigan has, not only in the United States, but throughout the world, this loan may be obtained at a lower rate than the maximum rate specified in the bill.

Mr. Foote:

I would like to ask a question. Are these bonds non-taxable?

The Speaker:

The Chair so understands it by the reading of the bill.

Mr. Foote:

Suppose I hold a bond. I am exempt from taxation on that bond, am I?

Mr. Chamberlain:

The clause of the bill which provided that these bonds should be exempt from taxation has been stricken out. The bonds are subject to taxation.

Mr. Foote:

That will make a difference as to the rate of interest. I have no doubt these bonds can be floated at three and a half per cent if they are not taxable, but if they are taxable, it is doubtful whether they can be floated at less than four per cent.

Mr. Atkinson:

I hope this amendment will not prevail for this reason. These bonds when issued and reading four per cent will be more desirable on the market and will meet with a better sale. The bonds will sell at a premium no doubt with that rate of interest therein. The rate paid by the State would be no more than three and one-half per cent, because it is anticipated that the difference would be received back by the State in premium. The object in disposing of all bonds is to put the interest at sufficiently high rates so that the bonds, when they are advertised and sold, will bring a premium therefor. I say I do not think it is advisable to cut the rate of interest so low that these bonds when sold will not bring a premium and make them less desirable in disposing of them on the market. I hope, therefore, this amendment will not prevail. I think everyone here who understands the proposition will say that my contention in the matter is correct.

Mr. Savage:

I cannot see, Mr. Speaker, any demand for an amendment of this kind, from the simple fact that the bill reads "shall not exceed four per cent." Therefore, Mr. Speaker, if the gentlemen or the officers who have this matter in charge in negotiating this loan could get it at three per cent they would not pay four. As the gentleman states, I understand the bonds are all on a four per cent basis, which makes them more easily

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disposed of, and if they could be obtained at a less rate of interest they certainly would take advantage of it.

The motion to amend the bill did not then prevail.

Mr. Zimmerman:

I move to strike out in section one the words one-half million, or "five hundred thousand," and insert therein "one million" dollars.

Mr. Sawyer:

Unless we are warranted in making that change it ought not to be made. As I understand it, this bill was carefully considered, and the amount necessary was placed in the bill. Now if you think that necessary, I have no objection to voting more. I would not want to vote for such an amendment. I think five hundred thousand dollars would be enough unless we have an authorative statement that it ought to be more, and if so, I would be willing to vote for it.

Mr. Chamberlain:

Mr. Speaker, I desire to say that the Legislature of the state of New York passed a bill of this kind providing for a million dollars, and in Iowa the amount of five hundred thousand dollars was passed by the Legislature, and we have the idea of the Governor of this State in his special message which was submitted to the House which asks for an appropriation of only a half million. I am inclined to think that for that purpose it was sufficient.

Mr. Bryan:

It seems to me that a half million of dollars will enable the State of Michigan to fully maintain her end of the business of thrashing Spain, if we have to go into it, but if it does not, the Legislature of the State of Michigan will reconvene on the first day of January next, and I have no doubt that body will be actuated by the same spirit of patriotism which actuates this one, and if it becomes necessary to call further upon the resources of the State that body will gladly welcome the appeal, and will be ready to meet it. I think at this time it is wise and at the same time judicious to appropriate no more than is called for in the bill.

Mr. Zimmerman:

Mr. Speaker and gentlemen of the House, the reason I offered this amendment was this: The bill reads that we shall not expend—I mean by that the State—over a half million dollars. I do not anticipate we will need that sum to whip Spain, or to do our portion toward whipping her as she should be whipped, but I make this motion for the reason that I think that the State of Michigan should be second to no state in the Union in making appropriations for such a patriotic purpose as this, and for such an important purpose. It is not anticipated, as I said, that this money will be used—the total sum of this money—but we might just as well show our patriotism, we might just as well put this amount up to one million dollars as to leave it at half a million because no more would be used, and it would create no greater burden upon the State; therefore I think it would be a matter of policy, if nothing more, to make this one million of dollars. I hope, therefore, that this amendment will prevail.

Mr. Kelly:

Mr. Speaker, I desire to state in as few words as possible that I deem

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this a very important measure as well as a very wise one, but there are amendments being offered, and none of the members so far as I know, at least I have not got a copy of the bill, and there is nothing so urgent that this ought to pass today, and while I am ready to vote for it, I propose now, for the purpose of getting the sense of the House, to move you, Mr. Speaker, that the bill be ordered printed in the Journal and that until Monday morning until ten o'clock the bill do lie upon the table.

The Speaker:

The Chair will not entertain a motion in that form. If the gentleman desires to have the bill printed in the Journal and to fix some further time for the consideration of it I will entertain the motion, but I will not entertain any motion to lay it on the table at this time.

Mr. Kelly:

This has been called to my attention. The bonds referred to in that bill are subject to taxation, as I understand it. Now, personally, I am not in favor of taxing our own securities; I do not think we ought to and I do not think it is wise, but I think if we could have an opportunity to discuss that clause in the bill—I don't know where it is—that was the reason I made that motion to get the sense of the House as to whether we ought not to wait until Monday, until we could have a copy of the bill, but I will change the form. Mr. Speaker, I move that the bill be ordered printed in the Journal and that for the present the bill do lie upon the table.

The Speaker:

The Chair will make a suggestion, that if there is any desire to delay consideration of it at all, would it not be better that the bill be printed in the Journal and the hearing of it be fixed for a certain time?

Mr. Kelly:

I will make a motion that the bill be ordered printed in the Journal and that it be considered immediately at the next session of the House next Monday afternoon at three o'clock.

The Speaker:

Mr. Kelly moves that this bill be printed in the Journal and the further consideration of it be fixed for a time on Monday to which the House shall adjourn. Are you ready for the question?

Mr. Chamberlain:

If this House does not care at this time to take up this measure I am not going to insist upon doing so, but there is one thing before you vote on this motion that I desire this House to remember and that is, in the first place, the bill follows very largely a similar statute of 1861 passed by the Legislature of this State, where one million dollars was appropriated in the same way and in language very largely is the same. Before this bill was drafted the Supreme Court was consulted regarding the merits of the measure and the framing of it. Later on the bill was passed upon by the Military Board of this State, and by Capt. Gardner of the U. S. regulars, and the bill was then passed upon by the Auditor General's office, and some very wise changes suggested. The bill was then passed upon by the Treasurer of this State, who also offered one or two very valuable suggestions to the body of the bill, and I understand that all the departments of the State which have examined the bill pronounce that it to be exactly right as it now is, and that if it is changed at all it will result in embarrassing some department of the State government.

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They are all concerned of course, in the operation of the bill. That is all I desire to state in regard to the matter, and if after knowing that you desire to have it made a special order for later on I do not object.

Mr. Sawyer:

I certainly hope there will be no delay in this matter. The House is entirely prepared to vote upon this question now. Why not dispose of it now? Why delay it? We are just as well prepared now as we will be next week. We understand what the measure is thoroughly.

Mr. Kelly:

I would like to ask one or two questions. Now, the conditions in 1861, I would like to ask if they were not different than they are today, in the financial matters of the State and everything else. As I said, I merely made the motion to get the sense of the House, I don't want to delay the matter a minute, and if there is any objection to it, I will withdraw the motion. I would like to get the sense of the House, and have the gentlemen speak on it here and find out where we are at.

The Speaker:

Does the gentleman withdraw the motion?

Mr. Kelly:

I will not withdraw it for the present; I would like the sense of the House.

Mr. Chamberlain:

The only change regarding the body of the bill, so far as it affects the operation of it is perhaps in the taxing clause. In the law of 1861, the bonds under this act were exempted from taxation. That clause is not in this bill.

The motion to print the bill in the Journal and lie over until Monday next did not then prevail.

The Speaker:

The question is on the amendment. Are you ready for the question?

Mr. Gustin:

The amendment is to change the appropriation from five hundred thousand to a million dollars.

The Speaker:

That is the motion now before the House.

Mr. Gustin:

I would like to ask the question whether under the message submitted by the Governor, it would be proper at this time to make the amendment? As I understand it, his message proposed an appropriation of five hundred thousand dollars. Now, could we pass a bill with this amendment under that message?

Mr. Bricker:

I am not in favor of any change in this bill. I believe that we should pass this bill here today, and by passing this bill today give notice to Congress and to the President of the United States that Michigan stands ready to carry out her share of the responsibility, if war is declared. I am ready to vote on this bill at this time without any change.

The question being on the amendment to increase the appropriation from five hundred thousand to a million dollars,

The amendment was not then agreed to.

The question being on the passage of the bill,

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The bill was then passed, a majority of all the members elect voting therefor, by yeas and nays, as follows:

YEAS.

Mr. Adams	Mr. Foote	Mr. Peek
Allison	Foster	Perry
Alward	Fuller	Peters
Anderson	Gibson	Petrowsky
Atkinson	Gillam	Phillips, C. C.
Babcock, C. G.	Goodell	Phillips, M. F.
Babcock, H.	Goodyear	Powers
Bates	Graham	Putney
Bemis	Green	Reed
Billings	Gustin	Rulison
Bricker	Hammond	Savage
Brownell	Harris	Sawyer
Bryan	Herrig	Scully
Buskirk	Hofmeister	Shepard, F. M.
Cahoon	Jackson	Shepherd, F.
Caldwell	January	Shisler
Campbell	Kelly	Smith, C.
Chamberlain	Kerr	Smith, C. R.
Clute	Kimmis	Stewart
Coad	Lusk	Stoneman
Colvin	Madill	Tefft
Connors	Marsilje	Van Camp
Cousins	Mayer	Vought
Crippen	McGill	Washer
Dickinson, J. H.	Molster	Weier
Dickinson, L. D.	Moore, E. W.	Whitney
Donovan	Niedermeier	Widoe
Dudley	Oberdorffer	Wing
Eikhoff	O'Dett	Zimmerman
Fleischhauer	Otis	Speaker

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Title agreed to.

On motion of Mr. Chamberlain,

By a vote of two-thirds of all the members elect, the bill was ordered to take immediate effect.

Mr. Stoneman, unanimous consent having been given and leave being granted, introduced

House bill No. 18, entitled

A bill to amend Sec. No. 36 of act No. 184 of the public acts of 1893, entitled "An act to provide for the enrollment, organization, equipment, maintenance and discipline of the naval militia of the State," approved May 31, 1893, as amended by act No. 211 of the public acts of 1895.

The bill was read a first and second time by its title and, pending its reference to a committee,

Mr. Stoneman:

I move that the rules be suspended and this bill be placed upon its immediate passage. In the introduction of this bill in accordance with

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the message of the Governor, I would like to explain that it is simply an amendment to the law of 1895, providing for an apportionment of the taxes to the State Naval Militia. The State Naval Militia is not as large as it should be. At present there are two divisions in Detroit, and one in Saginaw. It is the intention and the wish of the Military Department of the State, to muster in some divisions, possibly in the western portion of the State and to increase the efficiency of the department.

At present the three divisions of the naval militia of the State under the present law, which provides that one eighth of one cent be apportioned for the naval militia, under the provisions of that law the entire naval militia of the State today receives, or at least year, received but $2,802.05. It is the intention and the wish, as I said, of the Military Department to increase the efficiency of this department, and if you increase at this time the apportionment from one-eighth to one-half of one per cent, you will only increase it to about ten or eleven thousand dollars, and that will enable the Military Department of the State to muster in other divisions in the western part of the State if necessary, and to properly equip and maintain the divisions already in existence. I might say this, it is perhaps known to the members of this House that in case of war with Spain the naval militia of this State will perhaps be the first to be called upon, and in fact, gentlemen of the House, I understand that the executive of this State has received orders from Washington and has communicated them to the Naval Department or the naval militia of the State, that they are to be ready to move within forty eight hours, and they are now holding themselves under that order and expect to be called at any time to go east and be placed on duty. I appeal to the members of this House as Representatives of the State of Michigan, on behalf of the State Naval Brigade of Michigan to pass this amendment to the present bill, the law of 1891, and place the naval militia of the State on an equality with the companies of the National Guard. I hope the unanimous consent of the House will be given for the passage of the bill.

The motion to suspend the rules and place the bill on its immediate passage then prevailed, two thirds of all the members present voting therefor.

The bill having then been read a third time and the question being upon its passage, pending the taking of the vote thereon,

Mr. Adams:

I for one don't know how to vote on this bill, and I move that it be placed on the general order, referred to the committee of the whole, and printed in the Journal.

Mr. Sawyer:

I would say for the benefit of the gentleman from Kent that this bill was prepared very carefully and nearly half of the members of the House I guess saw it before it was brought to the House, and I was requested to say that if any gentleman present had any doubt about it, or if any amendment was offered to the bill, that it would injure the result sought for. It was not made haphazard, but it has been carefully studied, and carefully made, and been in preparation ever since the present term of the Legislature. Mr. Irish informs me that any change in the bill would of necessity require the remodeling of the bill, and while he would be perfectly willing that any gentleman might make a change that he

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thought best, yet before the bill was passed he would like to have it submitted to him once more so that he might see whether the scheme of the bill would be disturbed by the change. Having been so carefully prepared and having so much time expended upon it, it seems to me that we might take it as it is and pass upon the bill as it is now.

Mr. Gustin:

The object of the bill is to change the rate of taxation from one-eighth of a cent per capita to one-half per cent per capita. Michigan, as we all know, has more water ways than any other state in the Union. Under the present rate we have a fund which only amounts to $2,800 and we are only able to maintain three brigades on that amount. With this change it will permit Michigan to be placed upon the same footing as New York and Massachusetts. There are now waiting to be admitted into the naval militia a brigade at Benton Harbor and one at Traverse City, and other localities in the northern peninsula, and in my part of the county and the only way we can do this will be by increasing the apportionment to this one-half cent per capita, which will make the amount equal to about eleven thousand dollars. In the case of war at the present time, now seeeming so imminent, the chances are that the naval brigade and the naval men will be in the most demand, and Michigan, surrounded as it is by these great lakes, having so many marine men, could undoubtedly furnish a large quota of marines in case of war, and we should have this appropriation so that the Military Department of the State would be permitted to organize, in the various cities of the State where the marines are situated, these divisions to send in case of war and I hope there will be no delay in the passage of this bill.

Mr. Atkinson:

I trust that this bill will be taken up and passed. The naval reserves are practically under orders. They may, before we meet here on next Monday, those of them that are now in the companies, be at sea. We are going to have a war if we have one at all, on the ocean rather than on the land; and we can make no mistake in any liberal appropriation that we may make for these brave boys who will have to defend Michigan probably within the next week. Let us not haggle over percentages. Let us pass this bill and pass it promptly. It does not require any particular examination in committee of the whole. It would be like Nero's fiddling while Rome burned for us to stop and hesitate this moment. This is so urgent that we ought not to let the clock pass to the next five minute mark without passing it.

Mr. Foote:

I hope that the motion will not prevail. Undoubtedly the first men who will be called will be this naval brigade. I understand they have no uniforms, no overcoats, no arms, and undoubtedly before a week passes, from present indications, this brigade will be called into service, and it seems to me at this juncture, we ought not, as Col. Atkinson has said, to haggle over a few cents. As I understand it now this brigade is allowed, or receives one-eighth per cent per capita. This simply increases it to one-half per cent, perhaps nine or ten thousand dollars. These boys are going to the front, if anyone is going, if any of our State militia goes; and it is time, as Col. Atkinson said, we ought not to allow another tick of the clock before we give them this appropriation in order that they may at once provide themselves for the necessity.

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The Speaker:

The question is on the motion of the gentleman from Kent, that the bill be placed on the general order and referred to the committee of the whole.

The motion to commit did not prevail.

The question being on the passage of the bill,

The bill was then read a third time and passed, a majority of all the members elect voting therefor, by yeas and nays, as follows:

YEAS.

Mr. Adams	Mr. Foote	Mr. Perry
Allison	Foster	Peters
Alward	Fuller	Petrowsky
Anderson	Gibson	Phillips, C. C.
Atkinson	Gillam	Phillips, M. F.
Babcock, C. G.	Goodell	Powers
Babcock, H.	Goodyear	Putney
Bates	Graham	Reed
Bemis	Green	Rulison
Billings	Gustin	Savage
Bricker	Hammond	Sawyer
Brownell	Harris	Scully
Bryan	Herrig	Shepard, F. M.
Buskirk	Jackson	Shepherd, F.
Cahoon	January	Shisler
Caldwell	Kelly	Smith, C.
Campbell	Kerr	Smith, C. R.
Chamberlain	Kimmis	Stewart
Clute	Lusk	Stoneman
Coad	Madill	Tefft
Colvin	Marsilje	Van Camp
Connors	Mayer	Vought
Cousins	McGill	Washer
Crippen	Molster	Weier
Dickinson, J. H.	Moore, E. W.	Whitney
Dickinson, L. D.	Niedermeier	Widoe
Donovan	Oberdorffer	Wing
Dudley	O'Dett	Zimmerman
Eikhoff	Otis	Speaker
Fleischhauer	Peek	89

NAYS. 0

Title agreed to.

On motion of Mr. Stoneman,

By a vote of two-thirds of all the members elect, the bill was ordered to take immediate effect.

Mr. Fuller offered the following:

Resolved, That when the House adjourns today, it stand adjourned until 3:30 o'clock, Monday, April 11.

Mr. Hammond moved to amend the resolution so that the hour of meeting be made 4 o'clock.

Which was agreed to.

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The resolution as amended was then adopted.

Mr. Lusk moved to take from the table the following:

Resolved (the House concurring), That from and after April 12th, 1898, the two Houses of the Legislature will transact no other business than for the President of the Senate and Speaker of the House to sign enrolled bills for the approval of the Governor and the entry of the same on the Journal by the Secretary of the Senate and the Clerk of the House, and the final adjournment of the Legislature shall be on the 13th day of April, 1898, at 12 o'clock noon of that day;

Which motion did not prevail.

Mr. Bemis moved to discharge the committee of the whole from the further consideration of

House bill No. 6 (file No. 5), entitled

A bill to amend section 3 of article 3 of act 198, session laws of 1873, as amended by act 45, public acts of 1897, as amended by act 174, public acts of 1891, as amended by act 129, public acts of 1893, as amended by act 228 of the public acts of 1897, entitled "An act to revise the laws providing for the incorporation of railroad companies, and to regulate the running and management, and to fix the duties and liabilities of all said roads and other corporations, owning or operating any railroad in this State." approved May 1, 1873, being compiler's section 3360 Howell's annotated statutes of Michigan;

Which motion prevailed.

On motion of Mr. Bemis,

The rules were suspended, two-thirds of all the members present voting therefor, and the bill was put upon its immediate passage.

Mr. Lusk:

I move the House take a recess until 2 o'clock.

The motion did not prevail.

The bill was then read a third time and the question being upon its passage, pending the taking of the vote thereon,

Mr. Petrowsky demanded the previous question.

The demand was seconded.

The question being shall the main question be now put,

The same was ordered.

Mr. Kelly moved that there be a call of the House.

Which motion prevailed.

PROCEEDINGS UNDER THE CALL.

The roll of the House was called by the Clerk, and the following members reported absent without leave: Messrs. Hoffmeister, Jackson, Pearson, F. M. Shepard and Weatherbee.

On motion of Mr. Eikhoff,

Mr. Hoffmeister was excused from the operation of the call.

On motion of Mr. Gillam,

Mr. Jackson was excused from the operation of the call.

On motion of Mr. January,

Mr. Pearson was excused from the operation of the call.

On motion of Mr. Savage,

Mr. F. M. Shepard was excused from the operation of the call.

On motion of Mr. Bryan,

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Mr. Wetherbee was excused from the operation of the call.

Mr. Adams moved to reconsider the vote by which the House ordered the previous question,

Which motion did not prevail.

The question being on the passage of the bill,

The bill was then passed, a majority of all the members elect voting therefor, by yeas and nays, as follows:

YEAS.

Mr. Allison	Mr. Fleischhauer	Mr. Perry
Alward	Foote	Petrowsky
Anderson	Foster	Phillips, C. C.
Atkinson	Fuller	Phillips, M. F.
Babcock, C. G.	Gibson	Powers
Babcock, H.	Gillam	Putney
Bates	Goodell	Reed
Bemis	Goodyear	Rulison
Billings	Graham	Savage
Bricker	Green	Sawyer
Brownell	Hammond	Scully
Bryan	Harris	Shepherd, F.
Cahoon	Herrig	Shisler
Caldwell	January	Smith, C.
Campbell	Kelly	Smith, C. R.
Chamberlain	Kerr	Stewart
Clute	Kimmis	Stoneman
Coad	Madill	Tefft
Colvin	Marsilje	Van Camp
Connors	Mayer	Vought
Cousins	McGill	Washer
Crippen	Molster	Weier
Dickinson, J. H.	Moore, E. W.	Whitney
Dickinson, L. D.	Niedermeier	Widoe
Donovan	Oberdorffer	Wing
Dudley	O'Dett	Zimmerman
Eikhoff		80

NAYS.

Mr. Adams	Mr. Lusk	Mr. Peters
Buskirk	Peek	Speaker
Otis		7

Title agreed to.

Mr. Adams moved to discharge the committee on Railroads from the further consideration of

Senate bill No., 4 entitled

A bill to amend section 33 of an act entitled "An act to authorize the sale of the Michigan Central Railroad and to incorporate the Michigan Central Railroad Company, approved March 28, 1846," as amended;

Which motion prevailed.

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Mr. Adams:

The nature of the bill is the same as on page 207 of the Journal, which is for the purpose of repealing section 33 of the special charter of the Michigan Central. This has passed the Senate and we can now take action upon it, being in effect the same action we took last evening, and then it is ready for the signature of the Governor, and we have accomplished something. Now let's do something that is practical, let's do something that is sincere, let's take this and pass it.

On motion of Mr. Adams,

The rules were suspended, two-thirds of all the members present voting therefor, and the bill was put upon its immediate passage.

Pending the third reading of the bill,

Mr. Scully moved that the House adjourn,

Which motion prevailed, and

The Speaker declared the House adjourned until 4 o'clock p. m. on Monday next.

Lansing, Monday, April 11, 1898.

The House met pursuant to adjournment and was called to order by the Speaker.

Roll called: not a quorum present.

Absent without leave: Messrs. Anderson, H. Babcock, Bemis, Billings, Bricker, Buskirk, Campbell, Davis, J. H. Dickinson, L. D. Dickinson, Dudley, Eikhoff, Foote, Gillam, Goodell, Graham, Gustin, Harris, Hofmeister, Jackson, Kerr, Lusk, Marsilje, Mayer, McGill, E. W. Moore, M. G. Moore, Pearson, Peek, Petrowsky, Putney, Reed, Rulison, Sawyer, Scully, F. M. Shepard, Shisler, C. R. Smith, Stoneman, Van Camp, Wetherbee, Widoe, and Wing.

Mr. Peters moved that the House adjourn,

Which motion prevailed, and

The Speaker declared the House adjourned until 10 o'clock tomorrow morning.

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Lansing, Tuesday, April 12, 1889.

The House met pursuant to adjournment and was called to order by the Speaker.

Roll called: quorum present.

Absent without leave: Messrs. H. Babcock, Billings, Bricker, Buskirk, Chamberlain, Cousins, Davis, Dudley, Foote, Gillam, Goodell, Goodyear, Graham, Kerr, Madill, Putney, Shisler, Van Camp, Washer and Wetherbee.

On motion of Mr. Savage,

Leave of absence was granted to all absentees for the day.

Mr. Camburn announced that Burton L. Hart, member elect from the second district of Lenawee county, was present and desired to take his seat.

Mr. Hart appeared at the Clerk's desk.

The credentials of Mr. Hart were then read as follows:

I Samuel A. Kennedy, Deputy Secretary of State of the State of Michigan, do hereby certify, that at the special election held in the second representative district of Lenawee county on the 4th day of April, 1898, Burton L. Hart was duly elected Representative in the State Legislature for said district, as shown by the certificate and return made by the county clerk of said county and now on file in this office.

In witness whereof, I have hereunto set my hand and affixed the Great Seal of the State of Michigan, at Lansing, this eighth day of April, A. D. one thousand eight hundred and ninety-eight.

[L. S.] Samuel A. Kennedy,
Deputy Secretary of State.

After which,

Mr. Hart took and subscribed the constitutional oath of office and took his seat.

By unanimous consent,

Mr. Fuller moved to take from the table the following:

Resolved (the House concurring), That from and after April 12th, 1898, the two Houses of the Legislature will transact no other business than for the President of the Senate and Speaker of the House to sign enrolled bills for the approval of the Governor and the entry of the same on the Journal by the Secretary of the Senate and the Clerk of the House, and the final adjournment of the Legislature shall be on the 13th day of April, 1898, at 12 o'clock noon of that day;

Which motion prevailed.

The question being on the adoption of the resolution,

The resolution was then adopted.

Mr. Camburn offered the following:

Resolved, That Hon. Burton L. Hart be allowed mileage for 250 miles travel;

Which was adopted.

Mr. Fuller, unanimous consent having been given and leave being granted, introduced

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House bill No. 19, entitled

A bill to promote the efficiency of the Michigan National Guard and Naval Militia of the State, and to provide for the organization of the Volunteer Militia in case of emergency.

The bill was read a first and second time by its title, and, pending its reference to a committee,

On motion of Mr. Fuller,

The rules were suspended, two-thirds of all the members present voting therefor, and the bill was put upon its immediate passage.

The bill having been read a third time and the question being upon its passage, pending the taking of the vote thereon,

Mr. Fuller:

Mr. Speaker, this bill is a bill prepared in the department of the military board. It has been referred to the Military committee of the House; and it provides for no appropriation, but is merely the routine for the reorganization of the National Guard, which is a necessary thing to do with the National Guard, and this brings it in line and into conformity with the United States Army.

Mr. Clute:

I move to strike out the word "threatened" in the first section.

The Speaker:

The gentleman from Calhoun moves to amend by striking out the word "threatened." The Clerk will read the context.

The Clerk read, commencing at section 1, "The People of the State of Michigan enact, That in case of threatened war or invasion of this State," etc.

Mr. Clute:

In case of war it would be all right, but in case of threatened war I am opposed to putting the taxpayers of this State to two hundred or three hundred thousand dollars expense for a grand dress parade, for that would be all it would amount to. There is always threatened war. If war comes, then go ahead with it, but I am opposed to leaving the word "threatened" in. In case of war is all right.

Mr. Fuller:

It seems to me that it is not necessary to strike the word "threatened" out, especially for reasons advanced by the gentleman from Calhoun, as he don't want the taxpayers of the State to pay any heavier taxes; unless we have the word in there the National Guard may not be increased to 150 men in each company and thereby impose an additional burden on the taxpayers anyway, whether war is declared or not, and the best way to prepare for war is to prepare for it in the time of peace.

Mr. Gustin:

It does not seem to me that if we are going to strike out that word that we will want to wait until invaded in this State before we prepare for war. The time to prepare for war is when the other fellows are preparing for it. We want to be ready when they are ready and we do not want to wait to prepare for it until we are invaded. It seems to me the word "threatened" ought to be left in and leave it to the discretion of the Governor and the military officers of the State when to prepare for war.

Mr. Bryan:

The position taken by Mr. Clute is a reproduction of the position taken

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in the National Congress, which has placed the United States of America in the deplorable condition which the prospects of the present trouble with Spain finds us. It was the opposition of members of Congress to the appropriation for battle ships and the necessary appropriations for guns and munitions of war which permitted the condition of affairs to exist which unfortunately did exist at the time we entered into controversy with Spain. It is the fear possibly that too large an amount of money will be expended, or too large an enterprise entered into whereby the nation may be prepared in times of peace for the advent of war, and prepared to conduct itself honorably and to the satisfaction of its citizens, and such fear is not in keeping with the spirit of Americanism. We ought to be at all times prepared to take our place among the nations of the earth and uphold the dignity, manhood and patriotism of the United States of America; and it is only by going along and progressively doing anything when we have an opportunity of doing what we should do that we will be prepared, and I hope that this word will not be stricken out.

Mr. Kelly:

Mr. Speaker, I understand that this bill is a redraft of the present law. If so, I would like to ask the introducer of the bill if he will explain briefly the change from the present law that this bill proposes.

Mr. McGill:

Mr. Speaker and gentlemen of the House, I am somewhat familiar with the generosity of the gentleman from Calhoun and I believe that when he wisely and seriously considers this question that he will withdraw this motion. I believe that we can trust the Governor of the State of Michigan under any circumstances that may arise, whether it is in war or in peace, and I do not think this House should take any action that will in any way hinder him in the discharge of his duty. I believe that we can trust him or any other man whom the people of this great State of Michigan may select for their Governor, and I hope, Mr. Speaker, that the gentleman from Calhoun will see fit to withdraw his motion.

Mr. Colvin:

I am unable to express my good feeling to think that the House has become satisfied that they can have full confidence in their Governor. I have had confidence in him all along and I am well pleased to think that they now have the confidence in the Governor that I have.

Mr. Fuller:

Mr. Speaker—

The Speaker (interrupting):

Further debate will not be in order from the gentleman from Delta.

Mr. Fuller:

I would like to answer the question of the gentleman from Muskegon.

The Speaker:

The Chair will permit the gentleman to answer the question.

Mr. Fuller:

The change from the present law in this bill is not very great. Under the present law we cannot raise any additional regiments. The laws by which the regiments were raised during the war of the rebellion have been repealed, and in case it is necessary to raise any additional regiments we have no law to permit us to do so, and unless we pass this

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bill we will not have any means for permitting the enlistment of volunteer regiments.

Mr. Donovan:

I am opposed to this amendment myself. I disagree with the gentleman from Wayne, Mr. Bryan, in attempting to put the odium on the Democratic party, because I think the records will refute that assertion.

Now, it has been the policy of the Democratic party always to refrain from imposing burdens on the people unnecessarily, but never when there has been a time of trouble; when danger has threatened the nation they have never been wanting in patriotism, and they have had no better defenders in any party than the Democratic party. Now, if I chose to go back to the war of 1812 and mention the party from which the Republican party originated, I would bring forth facts that would be of interest, but I do not desire to do that. I do not think this is proper for us to bring politics into these questions.

Now, the record of the Democratic party in the present crisis is before the people; they have been attempting to force measures, to force recognition of Cuban independence; but they have not been able to do it because they have not a large enough number in the Congress of the United States; but had it been, we might have had a different state of affairs from what we have today. Perhaps it would have been all right and perhaps it would not. I think we had better leave this question out of our discussion here.

Mr. Bryan:

I do not arise to discuss the bill, but to a question of personal privilege.

The Speaker:

The gentleman will state his question of personal privilege.

Mr. Bryan:

I wish to assure the gentleman from Bay that if he discovered anything in my remarks, any imputations upon the loyalty and patriotism of the Democratic members of Congress or of this House, or the Democratic party of the United States of America, he certainly misinterpreted them. I yield to no man in my appreciation of the earnestness and conscientiousness of that party in all its endeavors and undertakings, in all its beliefs and ideas, that are directed towards the upholding of all that is best in our American institutions. And when I said that the condition of affairs which existed in this country at the time of the inception of the proposed or possible trouble with Spain, I referred to no particular party or individual. I simply deplored that there had been, and that there are now, members in the Congress of the United States of America (I do not know where they come from, nor I do not know who they are) but I do know that through their cowardly and pusillanimous conduct the naval appropriations and other appropriations necessary to provide for the national defense have been defeated and this condition of affairs that I deplore has been brought about by them; not by the Democratic party nor by Democrats as individuals.

Mr. Clute:

Mr. Speaker, I desire to ask the gentleman from Wayne a question if he will answer before the vote is taken.

Mr. Bryan:

I will be very pleased to.

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Mr. Clute:

You said in times of peace you would prepare for war. Would you be in favor of putting this country on a war basis as the countries of Europe are?

Mr. Bryan:

I believe this country should be at all times on such a footing as to uphold its manhood, its dignity and its Americanism at all times.

The Speaker:

The question is on the motion of the gentleman from Calhoun to strike out the word "threatened."

The motion to amend did not then prevail.

The question being on the passage of the bill,

The bill was then passed, a majority of all the members elect voting therefor, by yeas and nays, as follows:

YEAS.

Mr. Adams	Mr. Gibson	Mr. Peek
Allison	Green	Perry
Alward	Gustin	Phillips, C. C.
Atkinson	Hammond	Phillips, M. F.
Babcock, C. G.	Harris	Powers
Bates	Hart	Reed
Belknap	Herrig	Rulison
Bemis	Hofmeister	Savage
Brownell	January	Scully
Bryan	Kelly	Shepard, F. M.
Cahoon	Kimmis	Shepherd, F.
Caldwell	Lusk	Smith, C.
Camburn	Marsilje	Smith, C. R.
Campbell	Mayer	Stewart
Clute	McGill	Stoneman
Coad	Miller	Tefft
Colvin	Molster	Vought
Connors	Moore, E. W.	Weier
Crippen	Niedermeier	Whitney
Dickinson, L. D.	Oberdorffer	Widoe
Donovan	O'Dett	Wing
Fleischhauer	Otis	Zimmerman
Foster	Pearson	Speaker
Fuller		70

NAYS. 0

Title agreed to.

On motion of Mr. Fuller,

By a vote of two-thirds of all the members elect, the bill was ordered to take immediate effect.

The Speaker announced the following:

EXECUTIVE OFFICE,
Lansing, April 12, 1898.

To the Senate and House of Representatives:

Section 2 of article XX of the constitution of this State reads in part as follows: "At the general election to be held in the year 1866, and in each

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succeeding sixteenth year thereafter, the question of the general revision of the constitution shall be submitted to the electors qualified to vote for members of the Legislature."

Under this provision the question of a general revision must be submitted this year. I am advised, however, that there never has been any legislation in this State on this subject and that such legislation may be necessary to insure its proper submission.

I therefore recommend that a law be passed directing how and in what manner said question shall be submitted to the electors.

Very respectfully,

H. S. Pingree,

Governor.

The message was ordered spread on the Journal.

Mr. Perry, unanimous consent having been given and leave being granted, introduced

House bill No. 20, entitled

A bill providing for submitting to the qualified electors of this State the question of a general revision of the constitution of the State of Michigan.

The bill was read a first and second time by its title and, pending its reference to a committee,

Mr. Perry moved that the rules be suspended, and that the bill be put on its immediate passage.

Mr. Kelly:

I hope the motion will not prevail for the reason that up to the present time we do not know whether the submission of this question should come by an act of the Legislature or not, and I for one would like to get the opinion of the Judiciary Committee upon it.

I will state that at the last session of the Legislature I went to the Attorney General's office and asked whether it was necessary to pass a resolution or bill here to submit the question of the revision of the constitution to the people at the next general election. He stated that it was not; that by the terms of the constitution itself this matter would be submitted by the Secretary of State at the election when the time arrived. Now, then, I know, Mr. Speaker, that this Legislature has been criticised very severely by certain departments of the government because we failed to do this important thing, so-called. Now, I for one desire to say that receiving the opinion of the legal department of this government, the Attorney General, upon this matter that we cannot be criticised for not passing upon this question at the last session of the Legislature, and I for one desire to refute the imputation and for that reason I think strongly at this time that we should have the opinion of the Judiciary Committee upon this question, or at least, by resolution request the Attorney General to give us his opinion.

Now, what is the use of our passing matters that are unnecessary? What is the use of coming here to pass bills and then have them go before the people of this State on a matter that we ought to have passed upon at the last session and failing to do it we have had to do our work over? Now, I submit that if the opinion at that time was good, it ought to be good today and if it was not good at that time, then we ought to have a

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confession of it right here and I for one hope that the motion as made by the gentleman from Manistee will not prevail.

Mr. Perry:

I would ask the gentleman from Muskegon a question. I would like to ask him if he is certain that there is a quorum of the Judiciary Committee present?

Mr. Kelly:

If the gentleman will withdraw his motion I will introduce a resolution here asking for the opinion of the Attorney General upon this question.

Mr. Perry:

I have no desire to push this matter if we can have any assurances that the Judiciary Committee will act upon it.

Mr. Atkinson:

Mr. Speaker, this bill has been prepared by the Attorney General after a careful examination of the question and he has come to the conclusion that this question ought to be provided for by the present Legislature. It was overlooked during our regular session so that the message from the Governor and the bill itself has been prepared under the guidance and by the Attorney General.

I do not think that there is a quorum of the Judiciary Committee present, but the bill having the full endorsement of the legal officer of the State, I think the House may safely pass it. It is a mere matter of form to provide for the ballot. The constitution itself provides for the revision and this simply fixes the form of the ballot so as to carry out the constitutional provision.

Mr. Perry:

I would like to ask for the reading of section 2 of article XX of the constitution.

The Clerk read the section called for.

Mr. Kelly:

I desire to offer this resolution as a substitute to the motion now before the House.

The Speaker:

The Chair will not entertain the resolution as a substitute.

Mr. Kelly:

I will offer it as an amendment.

The Speaker:

If it is of the nature that the gentleman stated, the Chair will not entertain it as an amendment.

Mr. Kelly:

I desire to offer it as an amendment.

The Speaker:

The Chair will not entertain it as an amendment; it will bring about confusion. A motion to commit will be in order or a motion to table it, but a motion to amend this amendment will result in confusion and if the House decides to put this bill on its immediate passage.

Mr. Kelly moved that the motion to suspend the rules and put the bill on its immediate passage, be laid on the table,

On which motion,

Mr. Atkinson demanded the yeas and nays.

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The demand was seconded, and the motion did not prevail, by yeas and nays as follows:

YEAS.

Mr. Adams	Mr. Caldwell	Mr. Green
Bates	Camburn	Harris
Brownell	Connors	Kelly

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NAYS.

Mr. Allison	Mr. Gustin	Mr. Perry
Alward	Hammond	Phillips, M. F.
Atkinson	Hart	Powers
Babcock, C. G.	Herrig	Reed
Bemis	Hofmeister	Rulison
Bryan	January	Scully
Cahoon	Kimmis	Shepard, F. M.
Campbell	Lusk	Shepherd, F.
Clute	Mayer	Smith, C. R.
Coad	McGill	Stewart
Colvin	Miller	Stoneman
Crippen	Molster	Tefft
Dickinson, L. D.	Moore, E. W.	Vought
Donovan	Niedermeier	Weier
Fleischhauer	Oberdorffer	Whitney
Foster	Otis	Widoe
Fuller	Pearson	Zimmerman
Gibson	Peek	Speaker

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Mr. Perry:

If it will meet the wishes of the gentleman from Muskegon any better I will withdraw the motion for the immediate consideration of this bill and will substitute a motion that the House go into a committee of the whole for a consideration of the bill; if that would be proper.

The Speaker:

Does the gentleman withdraw the motion to suspend the rules?

Mr. Perry:

I will.

Mr. Kelly:

I desire to move that the bill be referred to the Judiciary committee.

The Speaker:

The Chair cannot entertain that motion. The motion made by the gentleman from Manistee takes precedence.

Mr. Kelly:

I understand that the gentleman has deferred to my wishes.

The Speaker:

The gentleman from Manistee has now moved that this bill be referred to the committee of the whole and placed upon the general order. That motion will take precedence over the other one.

Mr. Kelly:

Might I be permitted to ask the gentleman from Manistee a question?

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The Speaker:
If he desires to answer.
Mr. Perry:
I will if I can.
Mr. Kelly:
I would like to ask the gentleman from Manistee if he would just as soon change that motion to refer this bill to the Judiciary committee so we can get a legal opinion upon it? That is all I care about it. I have had one opinion from the Attorney General, and today the opinion is entirely different.
Mr. Perry:
I would say in reply to the gentleman that if I had any assurance that the Judiciary committee were all present and could take immediate action upon this I would not have any objection in the least.
Mr. Kelly:
I understand that there are seven of that committee here.
Mr. Perry:
This is merely a formal bill and ought not to be delayed by any chance.
Mr. Kelly:
I do not desire to cause any delay. I think it will expedite matters if we can get the committee to pass upon the bill this afternoon. I am ready to vote for it if it is a good bill and if it is not I do not want to vote for it. That is the position I am in.
The Speaker:
The question is on the motion of the gentleman from Manistee that the bill be referred to the committee of the whole and placed on the general order.
The motion then prevailed.
Mr. C. C. Phillips moved to discharge the committee of the whole from the further consideration of
House bill No. 5 (file No. 4), entitled
A bill to amend section 2 of act 140 of the session laws of 1867, the same being chapter 103 of Howell's annotated statutes relative to the licensing and taxing of express companies incorporated in other states.
Mr. C. C. Phillips:
This bill, while it has not been considered by the House, has been on our files for a couple of weeks. I have not pressed the passage of this bill heretofore because it provides for a tax upon gross receipts, and this House by its passage of the Atkinson bill has put itself on record as approving the other method of taxation. Since the Atkinson bill has been defeated in the Senate and as the principle of taxation is not involved, I have thought it would be wise for us and a benefit to the State to ask for the passage of this bill. This bill changes the present law only with one word. You have the bill before you and if you will look in line 4 of section 2 you will see the word "five" enclosed in parentheses. The present law reads exactly as this bill reads except that it provides a State tax of one per cent on the gross amount received by said company and this bill changes that amount to five per cent.
The express companies doing business in this State pay one per cent upon the gross receipts of the exclusively Michigan business. It does not pay anything on money received for carrying a package into the State from some other state, nor for carrying the package from any

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point within the State to a point without the State, but it pays one per cent on the receipts of the company for carrying packages from one point in this State to another point within the State only—in other words, exclusively Michigan business. In 1896 there was paid into the State treasury by the express companies doing business within the State $2,563, in other words they did business in this State exclusively in Michigan up to the amount of $256,336 on which they paid taxes.

Now, this bill proposes that they shall pay taxes at the rate of five per cent instead of one per cent, which would make about $13,000 they would have had to pay in 1896 on that basis. Now, the actual business that they did within the State is something over a million dollars, I am told, and the increase asked for in this bill is not excessive, but will amount in net benefits to the State of between ten and eleven thousand dollars. I do not want to press hasty legislation before this House, but it seems to me that if we cannot succeed in relieving the people of a large burden of taxes when we can by relieving them of even a small burden by a few minutes' work, by a method that we can clearly understand, in such a way that we will be able to know that we have not been treading on dangerous ground or entering upon any innovation, that we ought to do it, and therefore for this reason I ask for the passage of this bill.

Mr. Atkinson:

I would say to the House that this bill received very careful consideration from the committee on Revision of the Statutes, to which it was referred. We reported it out without recommendation, because we desired not to be inconsistent, and we had already reported a bill providing for the taxation of express companies on the value of their capital; but that bill having failed of passage, this bill ought to pass because it will, as stated by the gentleman who introduced it, give a considerable measure of relief where it ought to be given. The express companies of the State should be paying the State at least 25 or 30 thousand dollars a year; instead of that they pay 25 or 26 hundred dollars a year. This bill would increase their taxes of about 13 thousand dollars or possibly 15 thousand dollars during the next year. It is eminently just. It is less perhaps than what we ought to have, but still it is a bill that ought to pass without a dissenting vote.

Mr. Herrig:

I am heartily in favor of this bill becoming a law. There is not a corporation in the United States that makes more money on a less investment than the express companies do. There is just one objection I have to this bill, and that is that 5 per cent is not enough, and I do not know whether I will make a motion to increase it or not; but as it stands at 5 per cent I am heartily in favor of the passage of the bill.

Mr. Lusk:

There is occasion for congratulation that this morning the House is desirous to give their consideration to the measures which are before them. It is indeed remarkable that the House is not desirous of taking up this bill under suspension of the rules and call of the House and moving the previous question without permitting the members to understand them. I am very glad indeed, that we have had an opportunity to hear from the author of this bill and others as to its real merits, and because of these merits of the bill and the inequalities that exist with regard to the special corporations as compared to others, I am very

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glad to give my support to the measure. It has seemed to me that if there was an organization in the State of Michigan that is not contributing its just share to the public burden it was the express companies. I am glad to support this measure.

The question being on the motion to discharge the committee of the whole from further consideration of the bill,

The motion prevailed.

On motion of Mr. C. C. Phillips,

The rules were suspended, two-thirds of all the members present voting therefor, and the bill was put upon its immediate passage.

The bill having been read a third time and the question being upon its passage, pending the taking of the vote thereon,

Mr. Bemis:

Mr. Speaker, as I understand it, under the present law the rate of taxation is one per cent and that is upon exclusively Michigan business. I would like to ask the author of the bill if he knows whether I am correct in that.

Mr. C. C. Phillips:

That is correct.

Mr. Bemis:

Well, now, I do not see that this bill changes the condition at all with regard to what we might term "through" business. That is, for instance, if a package starts in the upper peninsula and goes the entire length of the State and just over the line into Indiana, if I understand it correctly, we get no tax from such business. Now, it seems to me that if this bill could be made to cover that ground, that we ought to do something of that kind. The rate, then, as I understand it, is five times the rate of the present law?

Mr. C. C. Phillips:

That is right. I will say for the information of the gentleman, that it is claimed on the part of the express companies, and I am afraid they are right, that we could not tax the money that they receive from carrying a package from within the State to any point outside of the State, or from any point without the State of Michigan to within the State of Michigan, or for any business going through the State of Michigan. And because we cannot get at it, only a small per cent, perhaps about 25 per cent of the business that they actually do in the State, because we can only reach that I believe, as I think you all agree, that they can stand a pretty tolerably high per cent of taxes. As the gentleman from Saginaw has suggested, five per cent is not quite high enough. Perhaps not. But I feared to put it any higher lest it should meet with some change which would make it necessary to come back to the House for concurrence and so fail altogether of getting any raise. I feel confident that with the figures I have placed in the bill now, that it will go through both Houses this session and become a law.

Mr. Bemis:

I would like to ask upon what do the companies base that statement. with regard to taxing their through business, whether it is interstate commerce relations or what, if you are familiar with that.

Mr. C. C. Phillips:

Yes, sir.

The question being on the passage of the bill,

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The bill was then passed, a majority of all the members elect voting therefor, by yeas and nays, as follows:

YEAS.

Mr. Adams	Gibson	Mr. Otis
Allison	Gustin	Pearson
Alward	Hammond	Perry
Atkinson	Harris	Phillips, C. C.
Babcock, C. G.	Hart	Phillips, M. F.
Belknap	Herrig	Powers
Bemis	Hofmeister	Sawyer
Brownell	Jackson	Scully
Bryan	January	Shepard, F. M.
Cahoon	Kelly	Shepherd, F.
Caldwell	Kimmis	Smith, C.
Camburn	Lusk	Smith, C. R.
Campbell	Marsilje	Stewart
Clute	Mayer	Tefft
Coad	McGill	Vought
Colvin	Miller	Weier
Connors	Molster	Whitney
Crippen	Moore, E. W.	Widoe
Dickinson, L. D.	Niedermeier	Wing
Donovan	Oberdorffer	Zimmerman
Eikhoff	O'Dett	Speaker
Fuller		64

NAYS. 0

Title agreed to.

On motion of Mr. C. C. Phillips

By a vote of two-thirds of all the members elect, the bill was ordered to take immediate effect.

Mr. Kelly offered the following:

Resolved, That the Attorney General be requested to submit his opinion without delay as to the necessity of the passage of a bill or resolution for the submission of the revision of the constitution at the next general election.

Mr. Kelly:

In support of that resolution, I desire to say, that we have been criticised for not taking action at the last session of the Legislature on this question. I had a bill prepared, and went to the Attorney General of the State, and he advised me at that time it was unnecessary. Now, I wish to say, Mr. Speaker, that I have a great deal of respect for the opinion of the Attorney General, but I do not know whether at this time he has changed his opinion in regard to the matter. If he has not, then I am willing to stand by his opinion. If he has changed, I would like to know it, and I think other members of the House would also. I hope there will be no opposition to the resolution.

Mr. Donovan:

Is it not sufficient to show to this House that the Attorney General has changed his opinion when he has prepared this bill that is now before us?

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Mr. Atkinson:

I desire to say, for the Attorney General that he has examined this matter very carefully; that while he is not absolutely certain that it would be necessary to pass this bill he thinks as a matter of safety that it ought to be done. He has given it his best legal judgment, and prepared the bill. The entire suggestion comes from him; it is his work and not the work of any member, because he considers the interests of the State require the passage of the bill.

Mr. Kelly:

With that statement in the record, I will withdraw the resolution.

GENERAL ORDER.

On motion of Mr. Perry,

The House went into committee of the whole, on the general order.

Whereupon the Speaker called Mr. C. Smith to the chair.

The Clerk read the title and sections of

House bill No. 20, entitled

A bill providing for submitting to the qualified electors of this State the question of a general revision of the constitution of the State of Michigan.

Mr. Perry:

Mr. Chairman, and gentlemen of the committee, I think we all recognize that our constitution has become a rather antiquated document in some respects and needs revision. I think that is recognized by every member of this committee. I wish, in support of the measure before us and to assist in a consideration of it to read again section 2, article 20, of the constitution. If we had all retained our manuals this would be unnecessary, but I think there are but few manuals on the desks, therefore I will simply read this section again. As I look upon this bill, Mr. Chairman, it is a matter of formality more than anything else; that it is strictly in the matter of form and will render the action of the electors unquestionably legal if it is to be passed, the electors voting under it.

Section 2, article XX, of the constitution of the State of Michigan: "At the general election to be held in the year 1866 and in each sixteenth year thereafter,"—by the way, this year of 1898 is the second sixteenth year—"and also at such other times as the Legislature may by law provide, the question of the general revision of the constitution shall be submitted to the electors qualified to vote for members of the Legislature; and in case a majority of the electors so qualified, voting at such election shall decide in favor of a convention for such purpose, the Legislature at the next session shall provide by law for the election of such delegates to such convention. All the amendments shall take effect at the commencement of the year after their adoption."

It does not seem to me that extended debate should be necessary on the passage of this bill. I do not think it would be necessary for me to take up any more of the time of the committee in support of this bill. Of course I do not wish to push the matter. We wish that the committee inform themselves in every way possible in regard to the necessity of this measure but I do not see really how there can be any objection to its passage.

The Chairman:

Are there any amendments to the bill?

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Mr. Shepard:

I desire to draw an amendment. It seems to me this section should be drawn in such a way that this balloting can be done upon the ordinary form of ballot, so that it will not be necessary to print slips, but have it printed on the so-called Australian ballott, and it can be marked in the square opposite the words "yes" or "no."

Mr. Perry:

I will say in regard to that I think that matter is fully settled by law. I think it is mandatory that all such questions shall be printed at the bottom of the official ballot. I regret that this is the case, because my experience is that constitutional questions, when they are submitted on a regular official ballot, that about four-fifths of the electors of the State of Michigan pay no attention to it at all. They simply vote the official ballot and make no choice in regard to the constitutional questions. I regret that it cannot be submitted separately. I regret that this bill could not be, as I understand it, legally prepared to submit the question separately on a separate ballot. But as I understand it under the law, it cannot be so arranged.

Mr. Shepard:

There is another question that I would like to ask; whether it contains a provision that if a majority of the electors voting on the question vote yes, that it shall be deemed carried.

The Chairman:

Does the gentleman from Manistee answer the question?

Mr. Gustin:

I understand that the constitution provides that in order to adopt the constitutional amendment that it is necessary for a majority of the electors of the State voting at that election to vote upon the proposition; in order to carry an amendment to the constitution it is not necessary that a majority voting upon the proposition vote for it, but it is necessary to have a majority of the electors voting at that election. For instance, if we had a million votes in this State in order to carry this proposition, we would have to have five hundred thousand and one votes in favor of it, as I understand it, and one of the troubles has been in the past with reference to constitutional amendments that there was not a sufficient number of people to vote on the proposition.

The Chairman:

I would say that I am informed that it would require a majority of all voting at the election.

Mr. Gustin:

As I stated, it would require a majority. If there were a million votes, it would require five hundred thousand and one votes to carry this proposition.

Mr. Shepard:

I would like to ask a question, whether it would not be competent to draw the bill in such a manner that the majority of those voting would carry it. I don't remember the constitution as well as my friend from Alpena does.

Mr. Gustin:

I understand the constitution requires a majority of the electors voting at the election and of course we could not pass it by a majority vote. As I understand the question with reference to constitutional amend

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ments, or the submitting of them, the great trouble has been that voters go into the booths and vote, and they will forget all about there being a proposition to be submitted to them, until after they had come out. Now, I have attended a good many polling places, and have asked men after they came out, "Did you vote upon the constitutional amendment?" And they would say they forgot all about it. Now, it seems to me if this is a matter of sufficient importance to have a revision of the constitution, it would be proper for the State to make some provision so that the attention of the voters would be challenged to the fact that they were voting upon this question, so that they will not forget it when they go into the booth to vote, that they are voting on this question. I think that there should be some provision made in this statute, if it is necessary to pass one, so that the attention of every voter when he goes into the booth to vote will be called to the fact that he is voting upon this question advisedly, and not have it to say afterwards that he forgot all about it, or didn't know about it. Some provision of that kind ought to be made in this bill.

Mr. Lusk:

Does the gentleman from Alpena understand that in the passage of a bill last session it provided that these amendments should be printed on a separate ballot? Don't you remember that, Representative Gustin? We passed a bill at the last session, providing that all such amendments should be placed upon a separate and distinct ballot, thereby calling the attention of the voter specifically to that fact?

Mr. Gustin:

I don't remember about the passage of that bill. I have forgotten about it.

Mr. Lusk:

That is true.

The Chairman:

Any other remarks? What is the further pleasure of the committee. Any other amendments to the body of the bill? If not, it will pass, it is passed.

Mr. F. Shepard:

I have consulted the constitution and I find that my friend from Alpena, as usual is right, and in order to carry this proposition by the electors, it will require a majority of all the electors of the State who are qualified to vote for members of the Legislature. It will be just simply impossible to carry this measure. Probably not twenty per cent, possibly not ten per cent of the voters will vote upon the proposition at all, and if there was no opposition whatever, it will take at least one vote more than fifty per cent of all the electors of the State to carry the proposition.

Now, what is the use of going to the expense of several thousand dollars for printing ballots and distributing them, and canvassing the result, when there is no possibility of carrying the election.

Mr. Harris:

Why, it will be utterly impossible to ever carry any constitutional amendment in this State under the decision the Supreme Court has made with regard to having a majority of all the votes in the State to pass it.

The Chairman:

There is no question before the House. You had better make a motion so we will know what you are talking about.

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Mr. Harris:

I would like to say, if there is no motion, I move that when the committee rise they recommend that the bill be laid on the table.

Now, as I was saying, it is going to be an utter impossibility to get a majority of the people of this State to vote on and carry any constitutional provision unless there is a concerted action all over the State to educate the people, and we will have to have one or two men appointed in every polling precinct of this State to remind the people that there is a constitutional amendment being voted upon. Unless that is done, unless some concerted action is taken, never will half of the people of the State vote upon a constitutional amendment. If people are left to vote at their own option, not twenty-five per cent of them would ever vote on a constitutional amendment, and I say, and all of us know, who have had anything to do with matters in regard to the election, that that is true. But if something of that kind is done, if the people are interested in it, enough to have a concerted action, and to have a man or two or three men at every precinct to call the attention of the voters to it, then it may be done, otherwise it will be a farce and a failure, and that you can't put in the law, you can't call their attention to it by anything that you can't put in the law, but it has to be done outside of that.

Mr. Perry:

I would like to call the attention of Mr. Shepard and the other members of the committee to the fact that this is not a bill for the submitting of a constitutional amendment to the electors of the people of the State of Michigan, and the same law that applies to such submissions would not apply to this. This is simply a question, "Shall we have a convention." It is not a question of a constitutional amendment at all. It does not cover any of its points. It is simply a question, shall this State of Michigan have a constitutional convention or not. It is not a question of an amendment to the constitution, and therefore it would not be covered by the same laws that constitutional amendments are covered by.

Mr. Lusk:

I desire to say that I was misinformed with regard to our action at the last session, in providing that all amendments shall be printed on separate ballots. Such a bill did pass this House and the Senate, and for reasons best known to "His Excellency," the bill was not approved by the Governor, therefore we have no such provision, and it would be very desirable if we are so anxious about this matter to have some provision in the law, whereby the matter might be submitted on a separate ballot.

Mr. McGill:

As I understand this bill at this time, it only calls for a convention for the purpose of revising the constitution. If I understand the bill correctly, a majority of the number voting at the election will pass it.

Mr. Gustin:

No, sir.

Mr. McGill:

That is a question. Then the action of that convention will have to be submitted to the people and ratified later. It is not a constitutional amendment at this time. The bill does not provide for that, as I understand it, but it does provide for a convention. Then, whatever action that convention may take with reference to the constitution and proposed

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amendments, or a revision, will then be submitted to the people of this State.

Mr. Anderson:

Now, it is my opinion, Mr. Chairman, and gentlemen, that it is a useless expenditure of money to go on and pass this bill and give the Secretary of State a right to go on and spend this money, in going to all this expense, when we know what has happened with this question whenever it has been submitted heretofore, as it has three or four times, this question of a constitutional convention. We know that it was defeated and voted down by an overwhelming majority, and now we would go on and spend this money and get a convention; we know the result of this from our experience in submitting it for the last few years, and I consider, Mr. Chairman and gentlemen, that it is a useless expenditure of public money. We have spent enough this year without going to work on anything else. I, for one, am opposed to it.

Mr. Hammond:

I can't see that the question would come up, as to whether the people would vote for or against this. The question is whether it is our duty to submit it to them and leave that part with them. It seems to me that the constitution provides that we are to submit this once every sixteen years, and it is our duty to do it, without any regard to whether the people will vote for it or not. That will be decided afterwards.

Mr. Gustin:

I hope the motion of Mr. Harris will not prevail. As I understand it, whether we pass this bill or not, the question will be submitted, and it is our duty, under the constitution to submit this whether we oppose the bill or not. It will not prevent any expense whether we oppose the bill or not. The constitution provides this question shall be submitted to the people every sixteen years. If it is not carried, why, we will go on under the same old constitution that we have had since 1850.

Mr. Atkinson:

That is all there is of it. Let's vote on it, quick.

The Chairman:

The motion before the House is that the bill be reported back with the recommendation that it lay on the table.

Mr. Atkinson:

I move to amend that motion.

Mr. Harris:

I will withdraw the motion.

Mr. McGill:

Mr. Chairman, I move that when the committee arise that it recommend that this bill be passed.

The motion prevailed.

Mr. Pierson:

I move that the committee do now arise;

Which motion prevailed.

The House was called to order by the Speaker.

The committee of the whole having risen, the Chairman made the following report to the House:

The committee of the whole have had under consideration the following:

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House bill No. 20, entitled

A bill providing for submitting to the qualified electors of this State, the question of a general revision of the constitution of the State of Michigan;

Have made no amendments thereto, and have directed their Chairman to report the same back to the House, and recommend its passage.

Charles Smith,
Chairman.

Report acepted and committee discharged.

Pending the order that the bill be placed on the order of third reading,

On motion of Mr. Zimmerman,

The rules were suspended, two-thirds of all the members present voting therefor, and the bill was put upon its immediate passage.

The bill was then read a third time and passed, a majority of all the members elect voting therefor, by yeas and nays, as follows:

YEAS.

Mr. Allison	Mr. Hammond	Mr. Perry
Alward	Hart	Peters
Atkinson	Herrig	Petrowsky
Babcock, C. G.	Hofmeister	Phillips, C. C.
Bates	Jackson	Powers
Bemis	January	Rulison
Brownell	Kelly	Savage
Cahoon	Kimmis	Sawyer
Caldwell	Lusk	Scully
Campbell	Marsilje	Smith, C.
Coad	Mayer	Smith, C. R.
Colvin	McGill	Stewart
Connors	Miller	Stoneman
Crippen	Molster	Tefft
Dickinson, L. D.	Moore, E. W.	Vought
Donovan	Moore, M. G.	Weier
Eikhoff	Niedermeier	Widoe
Fleischhauer	O'Dett	Wing
Foster	Otis	Zimmerman
Fuller	Pearson	Speaker
Gibson		61

NAYS. 0

Title agreed to.

The Speaker announced the following:

EXECUTIVE OFFICE,
Lansing, April 12, 1898.

To the Senate and House of Representatives:

I have received a petition in the following language: "Hon. H. S. Pingree, Governor of the State of Michigan. We, the undersigned, residents of Dundee, county of Monroe, Michigan, respectfully petitiou of Your Excellency that you recommend by special message, to the Legislature now in extra session, the enactment of such laws as will correct the defects in our general tax laws, especially in reference to the State

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tax homestead law, and secure the homesteaders the lands taken up by them under the provisions of said law."

This petition is signed by a large number of people, and petitions of the same character have come from many other quarters of the State to the same effect. These petitions are represented to me as the result of the decision of the Supreme Court, recently rendered in the case of the Connecticut Mutual Life Insurance Company vs. Eugene Wood, et al. I respectfully refer you to the official report of this decision, and recommend that you take such steps as to you may seem proper to secure, if possible, to the homesteaders the land taken by them under the provisions of the State tax homestead law, and to protect the State from possible loss by demands for refunding moneys paid for the purchase of lands for the taxes delinquent thereon, whether the same were purchased from the county treasurer at the first or a subsequent year for which they were included in the Auditor General's petition, or from the State tax land list.

The petitions addressed to me are transmitted herewith.

Very respectfully,

H. S. Pingree,
Governor.

The message was ordered printed in the Journal.

Mr. Campbell:

I would like unanimous consent to introduce a bill out of order.

Mr. Peters:

I don't know whether it is a proper time to introduce a bill or not. I would like to know what the bill is.

The Speaker:

The Clerk will read the title.

Mr. Peters:

I reserve my right of objection.

The Clerk read the title.

The Speaker:

What is the ground of your objection?

Mr. Peters:

On the ground that it is too late to take up such an important matter as this at this time. Now, we were here all last week, it sometimes took us two minutes and sometimes five and possibly sometimes ten, but we were here all of the week, and we had nothing to do, and now at the last moment this bill is introduced here, which is one of the most important bills that has come up before this House for consideration; it was brought in here for us to consider at the closing hours of this House, and I don't think we ought to take that up now. I don't believe there is time enough to consider it. If the gentleman can show me any good reason why the bill should be considered at this time I will withdraw my objection.

Mr. Atkinson:

There is no question before the House. Does the gentleman make a motion?

The Speaker:

The bill cannot be received at this time without notice if there is any objection.

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Mr. Atkinson:

I want to say a word. I hope the gentleman from Marquette will withdraw his objection. I would state that the petitions lying on our table addressed to the Governor ask for some relief on account of the decision referred to in his message. There are homesteaders to be protected from actions that may evict them from their farms within the next two weeks or in a few months rather, before proper legislative action shall be taken, and then the parties who bought any lands are liable to make demands upon the treasury for the refunding of the moneys. Bills have been prepared by the Attorney General, one to protect the homesteaders, and the other to protect the State temporarily. The bill introduced by the member from Washtenaw is a bill to protect the State, so that until the Legislature at its regular session can provide properly for the emergency, no refunding may take place. I understand that several hundred thousand dollars could be drawn out of the treasury unless some such provision as this is made and the object of the bill is to prevent them for the time being, merely to stay the operation of the law, as I understand it, rather than to provide for any permanent relief.

The Speaker:

While the Chair has no right to ask it the Chair will desire the gentleman from Marquette to withdraw his objection.

Mr. Peters:

I don't believe this House ought to take up such a bill as that. We don't know what the contents of the bill are, and after we have set idly by, then to bring this bill in at the last moment and ask us to consider it in manuscript form, I don't think it is proper. I don't think this House can give it the proper consideration that the bill should have. There was time to have had the bill in here last week.

The Speaker:

While the Chair is not in favor of hasty legislation, the Chair will request the gentleman from Marquette, to withdraw his objection, because the one day notice cannot now be given. It is impossible to give one day's notice now, because the adjournment is provided for tomorrow.

Mr. Peters:

It doesn't make any difference. We were here a week not doing a thing, and the decision of the court was known by the proper authorities and they could have submitted this thing before. Now, we are in the closing hours of this House, and we are asked to take up now the most important bill that we have had during the session. We don't know what it is nor what its contents are. We have not time to consider it as it should be considered. It may be unconstitutional, so far as we know. Of course that is possibly for the courts.

The Speaker:

The Chairman suggests that some member of the House make a motion that the rule requiring one day's notice be suspended, and that the bill be received.

Mr. Kelly:

I move that the rules be suspended, and the bill be received without previous notice.

Mr. Peters:

In view of that, I will withdraw my objection.

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Mr. Campbell, unanimous consent having been given and leave being granted, introduced

House bill No. 21, entitled

A bill to suspend the refunding by the Auditor General of moneys to purchasers of certain tax titles held invalid, and to prohibit proceedings for the recovery of the same.

The bill was read a first and second time by its title and, pending its reference to a committee.

Mr. Kelly:

I move that the rules be suspended, and the bill be placed upon its immediate passage.

Mr. Sawyer:

I hope that motion will not prevail. For one, I know nothing about this subject at all. I have had no opportunity to investigate it, and I don't know wherein the original law was defective. I don't know what branch of the law this is intended to correct; and to ask us now to take up this bill, and put it upon its immediate passage, I most sincerely object to, and I hope it will not prevail.

Mr. Perry:

I hope this motion will not prevail. There are two classes of legislation that are very dangerous—lesiglation by resolution and hasty resolution. Now, from the condition of the case, it is simply impossible for us to give this bill any such consideration as it deserves, as it must have in order to be at all properly considered. Therefore, I hope that this motion to rush this very important measure through this House may not prevail, because it cannot, in the very nature of the case receive proper consideration.

Mr. Crippen:

I have read this bill over and it is very short. If I understand it, the sole object of this bill is to provide that no action shall be begun against the State to recover any money out of the taxes which have been set aside until within thirty days after the meeting of the next Legislature. Now, it seems to me, Mr. Speaker, that if the time we have taken in discussing this bill had been used in considering the bill itself, we would have given every member on the floor a fair understanding of the bill, as it is short and very easily understood.

Mr. F. Shepherd:

The bill may be very short, but still have far-reaching effects. It might touch a good many sections of our present tax law where a cursory examination would not suggest.

Now, unless this House is like the ancient parliament of Paris, whose sole duty was to register the decree of some other power, it seems to me that a bill of this magnitude, or any other bill touching our taxes, should be referred to a committee who have been selected with special reference to those laws, to at least give a short examination with reference to our present laws. I hope that this House will not take it into consideration and consider it in manuscript. I believe time will be saved by referring it to the committee, rather than considering it here as read from the Clerk's desk.

Mr. Kelly:

In support of that motion, I desire to say to this House, that we passed here this morning a resolution for final adjournment tomorrow at noon.

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Now, it is a well known fact that if we pass this bill here this morning, at noon, that the bill can go to the Senate, and must receive action there, and in all probability the work of this Legislature will be wound up tonight or tomorrow morning.

I submit that if it is referred to the committee, that committee can't get it under consideration until after dinner. And while this House may be in session, it can't be reported back to this House in time so that we can give it proper consideration and send it to the Senate in time to get consideration there.

I, for one, am not usually in favor of rushing matters of this kind, or any other kind, and I desire to give every measure all the consideration that it is necessary to see that we don't pass hasty legislation.

But we are confronted at this time with an extraordinary condition. The Supreme Court has given a decision here which means a great deal to a good many people in the State of Michigan, and our Governor has wisely submitted here a recommendation that some sort of action be taken. Now, I would like to see immediate action. If necessary, I would even change my motion to go into committee of the whole to consider this measure, and eat my dinner after the House has considered it. I think we ought to consider this matter, and I hope the motion, Mr. Speaker, will prevail.

Mr. Kelly demanded the yeas and nays.

The demand was seconded, and

Pending the calling of the roll,

On motion of Mr. Zimmerman,

The House took a recess until 2 o'clock this afternoon.

AFTERNOON SESSION.

2 o'clock p. m.

The House met and was called to order by the Speaker.

Roll called: quorum present.

The pending question when the recess was taken being a motion to suspend the rules and put on its immediate passage

House bill No. 21, entitled

A bill to suspend the refunding by the Auditor General of moneys to purchasers of certain tax titles held invalid, and to prohibit proceedings for the recovery of the same;

And the question being stated by the Speaker,

Mr. Kelly:

After consultation at the noon recess with a number of the members of the House, we have deemed it advisable to give the committee an opportunity to consider the tax measure and to report at some time later in the afternoon. In view of the position taken by a great many members of the House, I will withdraw the motion for immediate consideration with the understanding that the bills go to the committees to be reported out some time later in the afternoon.

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The bill was then referred, under the rules, to the committees on General Taxation and Judiciary, jointly.

Mr. Donovan, unanimous consent having been given and leave being granted, introduced

House bill No. 22, entitled

A bill for the protection of homesteaders.

The bill was read a first and second time by its title and referred to the committees on General Taxation and Judiciary, jointly.

On motion of Mr. Gustin,

The House took a recess until 4:30 o'clock this afternoon.

AFTER RECESS.

4:30 o'clock p. m.

The House met and was called to order by the Speaker.

Roll called: quorum present.

By the committees on General Taxation and Judiciary:

The committees on General Taxation and Judiciary, to whom was referred

House bill No. 21, entitled

A bill to suspend the refunding by the Auditor General of moneys to purchasers of certain tax titles held invalid, and to prohibit proceedings for the recovery of the same;

Respectfully report that they have had the same under consideration, and have directed us to report the same back to the House with amendments thereto, recommending that the amendments be concurred in, and that the bill when so amended do pass, and ask to be discharged from the further consideration of the subject.

H. K. Gustin,
Chairman General Taxation Committee.

A. J. Sawyer,
Chairman Judiciary Committee.

Report accepted and committee discharged.

The question being on concurring in the amendment made by the committee to the bill,

The House concurred.

The bill was then referred to the committee of the whole and placed on the general order.

By the committees on General Taxation and Judiciary:

The committees on General Taxation and Judiciary, to whom was referred

House bill No. 22, entitled

A bill for the protection of homesteaders;

Respectfully report that they have had the same under consideration, and have directed us to report the same back to the House with amend-

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ments thereto, recommending that the amendments be concurred in, and that the bill when so amended do pass, and ask to be discharged from the further consideration of the subject.

H. K. Gustin,
Chairman General Taxation Committee.
A. J. Sawyer,
Chairman Judiciary Committee.

Report accepted and committee discharged.

The question being on concurring in the amendment made by the committee to the bill,

The House concurred.

The bill was then referred to the committee of the whole and placed an the general order.

Mr. Sawyer:

Mr. Speaker, it seems to me at this late hour that we should take some immediate action on the matters now before us.

The Speaker:

Does the gentleman desire to make the motion?

Mr. Sawyer:

I do. I move that the rules be suspended and that this bill be placed upon its immediate passage. I will state, Mr. Speaker, that these bills are simply temporary in their effect. The purpose of one of the measures is simply to protect the homesteaders from any action that might be taken against them until the Legislature shall have the opportunity to frame and enact some statutes that shall take care of the subject matter, therefore the bills simply provide that no action be taken against any homesteader to dispossess him of his homestead until 90 days have elapsed after the close of the next session of the Legislature, which gives him the full session of the Legislature to start and prepare a bill to remedy the tax law upon the subject.

The other measure is with reference entirely to the State treasury and the purpose of that is to prevent any raid upon the treasury until that same period of time. The object of placing the 90 days after the commencement of the session of course is for the reason that if a bill is prepared and it is not passed by a majority in the next Legislature and given immediate effect they will then have 90 days after the close of the session in which to perfect the law relating to the subject matter. The next session of the Legislature shall be enabled to enact two laws, which will change the present statute and which will cover these subjects and repeal this statute at the same time; but in case there shall be any failure in that direction as I have said or the bill not passing by a majority then it will be necessary that no action be taken until the 90 days have passed. They are in no sense changing the statutes now upon the subject. In the homesteaders bill it was thought best to add an amendment so that the homesteader might be permitted to continue to make improvements on his land the same as he would be if the decision of the Supreme Court had not been rendered and give him the right to recover for these improvements just the same as if the statute had not been passed, otherwise his land will remain until the next session of the Legislature and until the close of the session and possibly he might deem it expedient to abandon the lands entirely in view of the

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uncertainty there would be to his right to the property. It certainly could make no difference with his making any further improvements on his property if he had any idea he was going to recover for the improvement and for this purpose this clause was added to the bill.

As I stated, the only object in the bill and the only purpose of that measure is to stay any proceedings against the homesteaders to dispossess them of their property until the next Legislature shall have an opportunity to formulate such statute as will cover this entire field, and the only object of the other statute was to stay a raid upon the State Treasurer until the same period of time and for the same purpose. Simply to hold the matter in abeyance until the State shall have an opportunity to get together and frame a statute that shall cover the whole field. That being the case, Mr. Speaker, I move that all rules be suspended and that those bills be put upon their immediate passage.

Mr. Fleischhauer:

I hope the gentleman from Washtenaw will not insist upon this motion.

Mr. Sawyer:

I shall not if there is any objection. I will withdraw the motion if anyone objects to it.

Mr. Fleischhauer:

There are matters that we would like to look up in the committee of the whole. We have until 12 o'clock tonight to consider these bills and I therefore think we ought to go into committee of the whole.

GENERAL ORDER.

On motion of Mr. Kelly,

The House went into committee of the whole, on the general order.

Whereupon,

The Speaker called Mr. Adams to the chair.

The Chairman:

The committee will come to order. The first bill on the order is the bill introduced by Mr. Donovan, of Bay, entitled "A bill for the protection of homesteaders," which the Clerk will read.

The Clerk read section 1.

The Chairman:

Are there any amendments to section 1?

Mr. Donovan:

Mr. Chairman, Mr. Sawyer has already stated the only purpose that there is in presenting this bill at this time. You all know how those State tax lands have come upon the market. There are three stages of those tax matters before it comes to this stage. When it comes to this stage the people are allowed to purchase a certain number of acres of land, to make improvements upon that land and to live upon it for five years. At the end of that time if they have complied with all these requirements they receive a deed. Some homesteaders have already complied with all these requirements and have their property and lived upon it for these five years, and these men cannot be touched. But the others are living in fear of being dispossessed at any time by the original owners, and all that they can recover will be the expense of their small improvements, and we all know that a little log shanty in the

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woods and a little barn would not amount to a great deal. Now, it is thought wise, in view of the last decision of the Supreme Court, to suspend the operation of any act or any action for dispossessing those men or torturing them by fear or by dread of being dispossessed. This is more a statutory proceeding than anything else. It gives them an opportunity not only to remain on their little holdings, but to continue the improvements and to continue them in the hopes that the next Legislature will enact some law that will thoroughly protect them. It is almost too late in the session to do it now, and to do it so it will hold water, and that is the only purpose there is in this bill.

The Chairman:

Are there any amendments to section 1? If not, it will be passed. It is passed.

Section 2 was read.

The Chairman:

Are there any amendments to section 2? If not, it will pass. It is passed. Are there any amendments to the body of the bill?

Mr. Gustin:

This bill that we have under consideration is the bill that we must go back to our constituents with and ask them to be satisfied—satisfied with—as the result of the deliberations of this House of Representatives. I am afraid that my fellow members in the southern part of the State are not aware of the situation as it exists in my part of the country, where these homesteaders live. If they did, if they understood the situation, we would have no such bill proposed to satisfy those poor homesteaders as is proposed here. What is proposed here? It is simply a standing off the evil day for a year. They acknowledge by this act,—they acknowledge by this bill that the State has no title to these lands, and yet they ask those homesteaders to go on and clear their lands, and to cultivate their farms next year, with assurance almost that at the expiration of that time they are going to lose their little homes. What we want today and what we should have, what the people of my part of the State deserve at the hands of this House and at the hands of this administration, is some legislation that will be adequate to meet the demands. That is what we desire, and that is what we deserve. Look at the hundreds of petitions that have been sent from the northern part of the State asking the Governor to send a special message to the House with reference to enacting some law that will meet the occasion. Here upon the last day of the session, after we have passed a resolution to adjourn, there comes a message asking us to pass some law to relieve those poor homesteaders, and this is the law: Simply to stand off the day for a year.

Now, although I am willing to pass this little meager measure, still I think I would be derelict in my duty to my constituents in the northern part of the State, if I didn't explain the true condition of affairs. The true condition of affairs is simply this: In the wisdom of the Legislature of 1893, they saw fit to pass the bill, or to pass sections of the general tax law which have been known as the State Tax Homestead law. This gives the Auditor General and the Land Commissioner a right to have all delinquent lands which have been delinquent for three years—three successive years, examined, and if they fulfill the conditions of those sections, they are to be turned over to the State Land Office, as State

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Tax Homestead Lands. They must have three successive years, in order for them to come in. Well, the commissioner did this, and the first land that he received from this department was received on the first day of July, 1895, and the first homestead taken up under that act was taken up on the 11th day of July, 1895, a little less than three years ago. From that time until the present time, there has been taken up under that act something like 2,088 homesteads, and there are now lying down in the department over 100 waiting to have licenses issued to them, which will permit them to take up these homesteads. The Commissioner of the Land Office and the Auditor General, acting in the light they had, turned over these lands to this department in the neighborhood of 450,000 acres of land.

The result of this referred to in the Governor's message—this decision of the Supreme Court—has been not one acre of land in the Land Commissioner's Department has any right to be there. In other words not an acre of land under that decision has a right to be down there in that department. The State of Michigan has then issued licenses to 2,088 homesteaders and they had no right to issue them and they are there upon the land without any legal right of law. That is the condition that confronts the State of Michigan. That is the condition with 450,000 acres of land in the department, supposed to be for State homestead tax purposes. And the effect of this decision was that there ought not to be one acre of land there. Now where do we stand? We simply stand in the position that we cannot fulfil our contracts under the laws to these poor homesteaders that have gone there in good faith and built their little homes and their little huts, cleared up the land, made their improvements and if they comply with the contract they have the contract completed.

Now, when I say and what we want in the northern part of the State is that we should have some immediate legislation, we hadn't ought to wait until the next session of the Legislature but we should have it today, for the further advancement of the northern part of this State. This is one of the most important questions that has ever come before this House. We not only have—if the intent of this law is carried out —45,000 acres of land which would come in here, but we have also something in the neighborhood of 2,000,000 acres of land that could come in here and be settled up. And instead of this land being as it has been from year to year a detriment to the State, instead of having taxes assessed upon it from year to year and not one dollar's returns coming from that land, we would cease that detriment to the State and in a short time have all this land occupied by good industrious people who would be paying and helping support the State. Now these lands stand in this condition and there is no question about it—90 per cent of these lands that are down here in the State Land Office Department for homestead lands, have been actually and practically abandoned by their owners. If we could have some legislation here and at once which would permit the State of Michigan to begin some proceedings so that this title could be confirmed in the State, those land owners who have abandoned the land, who have not paid their taxes for years, would not and could not make a defense and we could get a good title so we could fulfill our contracts. But no. Under this dilatory practice, under this dilatory

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measure we must refuse, we must delay this thing for a year or more before anything can be done.

This is a matter that should require immediate attention and as I said when I came to my feet, although I am not in favor of this measure, if we cannot get anything better I would not want my constituents to know that I had sat here in the halls of this representative body and did not explain the position they are in today. The condition that they are in? Why just think of it. I had a man come down from my district today and I asked him what the people thought of this decision of the Supreme Court. "Why," he said, "It is playing the devil with us. The fellows are almost crazy. We had an election on town meeting day and one fellow was running for township clerk in the township that only had 200 votes, and he had refused to sign a petition which requested the Legislature to do something upon that subject and that man ran behind his ticket over 60 votes in a township having only 200 votes because he refused to sign that petition. That was the sum and substance of the campaign made against him."

It is only an indication of the feelings that exist in that part of the State. Now, look at these letters that have been received here, and look at the condition of the thing. Here is a letter received from Tawas township, in Iosco county, up in my district, and it says—this is addressed to Hon. H. S. Pingree, Governor:

Dear Sir—A communication from H. K. Gustin, chairman committee on Taxation, dated March 31, 1898, requesting supervisors to ask the taxpayers of the township to adopt certain resolutions in regard to amending the tax law in conformity to a decision rendered by the Supreme Court, came to hand on the night of the election. I sincerely regret that under these circumstances no action could be taken in the matter. There is perhaps no other part of the State that feels the blow harder than our northern Michigan and Iosco has a great share of these lands which are entered from year to year upon the several assessment rolls in the county and returned regular each year, advertised each year at 40c for each description.

The value of these lands is very little, yet they help to swell the valuation of the county to quite a sum, for which the taxpayers have to pay State and county tax with no returns.

A year ago the township board of the township of Tawas passed resolutions requesting the Auditor General to strike off all of these lands known as the "Plains." I furnished the Auditor General with a complete description of these lands, but owing to the decision made by the Supreme Court no result was obtained.

Now, if a petition signed (regardless of these resolutions) is of any value to you I will get the majority of my people from Tawas township to sign it. I am convinced that very few, if any, would object, and sincerely wish and pray for it.

The cause you have taken up in behalf of the people to obtain and enforce a fair distribution of the burdens that now rest upon the people in this State is a good one, and I hope that your efforts in that direction will be crowned with success.

Yours truly,
Geo. C. Anschultz,
Supervisor of Tawas Township.

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Now, about this decision of this court—these lands cannot be taken in as State tax homestead lands. The operation of this law must practically cease, because there are very few of these lands, there are very few of these lands now in the Auditor General's office, and in this condition they have these three years, three succeeding years, tax titles against them, so they cannot come in. Now, what I say, and what my part of the State requests is this, that some immediate action should be taken, or some action should be taken that should settle this question and let those homesteaders get from the State of Michigan what is coming to them from it.

I claim that the State of Michigan should arrange this law and pass some law, even if they have to buy this land, even if they had to get them some way, after they have given the poor homesteader the assurance that when he completed his homestead condition that he should have that land. In the early days of the State of Michigan, our best land went to our homesteaders, and the State of Michigan fulfilled its contract on that land. Now, in this later day, when those poor homesteaders are upon this land, when their title is wiped out from under their feet, in a minute, as you might say, why shouldn't we take immediate action to relieve this large mass of people? The Commissioner of the Land Office tells me that he estimates at the present time there are now citizens of the State of Michigan to the amount of pretty near twenty thousand people who are dependent upon this State tax homestead law. Don't they appeal to our consideration? Hadn't they ought to have our time? Had we ought to refuse to stay here and pass this thing? We didn't do that; we appealed to the Governor upon the 30th day of May to send us in something to act upon it in time, and it is only today that we have got a message upon that question. Only today—12 days, yes, 14 days since the decision has been re-affirmed, and there has been plenty of opportunity for these members to take action upon this question, and I claim it is an outrage. It is an outrage upon our constituents—my constituents, that some action cannot be taken at this time.

And another thing I do not propose to have it said to me, as it was said to me in the presence of interested parties—it was said to me in the presence of the Land Commissioner, and he said: "Why, you have squared yourself with these homesteaders, you have squared yourself, you have done everything you could to have this thing fixed, you need not mind about this. It is all right for you. The Governor has squared himself. He sent in his message. Now the duty devolves upon this House to stay here and do something. The duty is upon the House, and if nothing is done the blame will fall upon the Legislature." Now, I do not propose to stand here and allow this blame to fall upon this Legislature. We have been here ready and willing to do business and we ought to have been doing business. I don't believe that after we have passed the resolution to adjourn tonight that to send us in a message to enact a law of this importance within 8 or 10 hours is putting us in the right position before our constituents. I know it aint. We are here to do something. We are willing to come back and do something. We are willing to give them relief if we only have the number. I don't want it said by any of the members of the northern part of the State that I refused to stay here and do business. I had refused to stay here and consider this matter when this important message was presented to us.

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If it had been presented in time it would have been taken care of in time, but now to ask us to stay here and pay our own way, it is not what the great State of Michigan demands. The great State is too large to ask this body of men to stay here on their own expenses and pass laws of this magnitude and of such importance.

The people in the northern part of the State don't ask the members of the southern part of the State to stay here and do business. They would willingly pay the expense of an extra session of the Legislature to provide for a law of this kind. And what do they say? What does the Auditor General here say? What did they say in the committee room with reference to the importance of that decision? Why, he says, "At the present time," he says, "there is over a million and a quarter's worth of the revenue of this State which cannot be collected on account of this decision." He says this in a brief submitted by the Auditor General's department in this celebrated case of the Connecticut Mutual Life Insurance Co. against Wood.

They came on and made the argument why this thing should not be set aside—why they should not reverse the decision. The Attorney General made this argument before the Supreme Court. It will be seen that the immediate effect of this decision will relieve three or four million dollars of delinquent taxes from the enforcement of collection. That is the statement of the Auditor General, and here is the statement of the Attorney General before the Supreme Court when they decided this case, that between three and four millions of dollars is involved; and yet this is not an important matter enough to call for some relief; not important when there are three or four million dollars. I care nothing about that, but for the poor homesteaders that live up there and lose all those lands they have spent their time in working for—two or three years in trying to dig out a home in those woods; I say that it is an injustice, and I stand here and tell you that it is an injustice for me to go home to those men who live upon those lands and have to tell them to live on in uncertainty for a year, and then possibly be turned out. The State of Michigan cannot afford to do that with one single citizen. They entered into this contract in good faith, and the State of Michigan should stand by them, whatever the expense is, and give them relief and immediate relief, if that possibly can be done. That relief can be had to those homesteaders at the next session of the Legislature? It can be given in an extra session held next week and the State of Michigan and these homesteaders will simply be one year ahead. They will know what is going on back of this. Now, if we cannot get a better bill before the House, if we cannot get any better bill, I am in favor of this present bill. If we can prevent their being interfered with—I am in favor of anything that will benefit the homesteaders, but I say this is a pretty poor little bill to go back home to my constituency and say this is the best that the great State of Michigan could do for those poor homesteaders.

Mr. Atkinson:

Mr. Chairman, I did not intend to interrupt the applause. I don't really know just what question the member from Alpena was addressing himself to. If I understand him aright, he is in favor of the bill that is now before us, but desires to scold the rest of us and abuse the Governor while this is being passed.

I supposed this bill was before the House. Now, it is only fair at this

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late time in the session we should not have too many plays for points. Anything that is legitimate, anything that is fair, I have no doubt the members of the Legislature would be glad to do; and while the gentleman from Alpena is criticising this bill, where is his bill for the relief of his constituents? What bill has he introduced? We would have no bill here at all were it not for the industry of the Attorney General and the Auditor General, who have brought us this bill and done what they have for the protection of these homesteaders. That the members who represent these homesteaders, who have them in their districts, have absolutely produced no bill, nor introduced any measure or relief whatever for their constituents, is evident. Now, it is only fair to say this also. The Governor, who has been criticised, has sent this message in today—and a resolution was passed by this House some days ago asking for a special message on this subject. Up to last Friday both Houses were very busy with the business for which the session was called. It was not until late on Friday that that bill which had taken up most of the time was disposed of, and until that was disposed of it would only have confused matters to have introduced any other legislation.

Now, has the Governor of this State been to blame for not sending in a message since last Friday on this subject?

The members of the House know very well that the Legislature has had only one end to it since last Friday evening. There has not been two chambers in session. One part of the Legislature went home on Saturday morning and did not return again until 9 o'clock tonight, and yet the Governor of this State is criticised for not introducing bills and messages to this Legislature while he had that state of things in existence. He has used this chamber, which has been the only one in session, and he has sent his messages here and we have considered three or four of them; but all these messages have to go to the other House when they convene this evening.

If we had adopted the resolution of the other House we would have adjourned sine die at noon today, so that we had every reason to suppose that no business could possibly be accomplished since last Friday morning. But we have adopted the resolution which gives another day grace. We have until tonight to pass such acts as we can to meet the emergencies.

Now, so far as this decision is concerned, it speaks for itself. I do not think it is necessary for any member to defend the Supreme Court of this State. The opinion expressed in the court is such that nobody is injured by it. The learned judges of that court have decided that the homesteaders cannot suffer by this decision. They have also said that the State cannot suffer by this decision, that in obedience to those who represent the homesteaders particularly on this floor, we have recommended through the joint committees, of which my friend who has just given us so severe a chastisement is chairman—he is the chairman of one of these committees—we have presented a bill which delays that action, and it cannot possibly injure the homesteaders until three months after the next session of the Legislature.

No one can say that any one will be disturbed, and the improvements that they make in the meantime will be protected. We have given this measure as the best we could do at this late day in the session. We

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cannot enact laws by ourselves. Laws to be properly enacted have to receive not only the full sanction of this House, but the sanction of the other House, and the other House cannot pass a law when it is not in session. So that from Friday last the time has been entirely lost. The days we might have spent in legislating on these subjects and having bills passed, the State has been entirely deprived of. Now, so far as the State is concerned, the other bill that is also upon the general order, amply protects the State. At the next session of the Legislature the matter can be fully considered. These laws are not offered by any one as an absolute remedy for the evils that may attach to the people of the State under our tax laws, or under this decision. The bills are professedly only temporary. They are only for the purpose of warding off any evil until the Legislature shall have full time to act upon them. They are the only bills that have been presented to us. And what position is any member in to find fault with these bills when he has not produced one of his own?

Is the Governor expected to draw your bills as well as to give you an opportunity to pass them? Who shall draw those bills?

If any one wanted to draw one and introduce it, the Legislature has been behind him, but having produced nothing else, having given us no chance to vote upon anything else, what reason is there for criticising us if we offer this as the only measure that has been produced, and pass it? Everyone is acting in perfect good faith, so far as I know in regard to this. We sent this to the committee this morning, so that it might be carefully considered. We sent it to the committee of which the member from Alpena is chairman, and as chairman of that committee he had a right to amend or change or modify it in any way that he saw fit, but he proposed no amendment, he proposed no modification, he proposed no change. He joined in the report to send this bill out to the House, and recommended its passage. Now he stands on the floor and declares it utterly inadequate, and wants us to stay here. We have already voted to adjourn at noon tomorrow. No one has requested us to stay here. No one has requested another special session of the Governor, no one has asked it, not a single soul that I know of. And the very gentleman who attached responsibility on the Executive for the lack of time now before us has criticised him for calling the special attention at all. Now, let us be honest with each other; not find fault with what has been done, unless we propose something better. If this bill is not adequate, now is the time to amend it. What is your measure? What will you present? How will you protect the homesteaders? The field is open to you. You know their sorrows, you know their wrongs, you are a lawyer by profession, you are accustomed to drawing bills—I think you introduced more in the regular session than any other member on this floor—and if there is any bill that ought to be presented for the protection of these people, present it, and we are ready to consider it.

Mr. Gustin:

I am pleased with the remarks of my distinguished friend from Wayne.

Mr. Wetherbee:

I rise to a point of order. I rise to inquire what is before the House.

The Chairman:

The question proper is the entire bill, whether or not it pass. There

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has been no motion, and there is no motion before the House. The motion is on the bill itself.

Mr. Wetherbee:

Is it proper to discuss this matter without a motion of some kind?

The Chairman:

It has been allowed. The gentleman from Alpena will proceed.

Mr. Gustin:

As I say, I am pleased with the remarks of my friend from Wayne. He says, "Where is his bill?" There is no bill—there is no bill before this House for consideration, for the plain, simple reason that we didn't know that we were to have a special message upon this question until about the hour of half past ten today. Am I such a lawyer, or is he such an attorney, that he can draw, in the space of half an hour or an hour a measure that will meet the provisions and the conditions of those poor homesteaders up there. He says this House has been in condition to do nothing since last Friday on account of the other end of the capital being vacant. That didn't stop the Governor from sending in the message last Friday, so that on Saturday and on Sunday, if you please, and yesterday, we could have prepared these bills and had them in condition. But no; this bill comes not until today. That is the reason that I stand here without a bill to present to this Legislature. The distinguished Attorney General of this State was consulted about this matter, and it was his opinion as expressed by a member upon the floor of this House today that this matter of taxation, this matter of preparing these bills was a serious matter and could not be gone into lightly, and it was dangerous at this time to open up this question in all its branches, upon this short notice. And it was his suggestion, and it was the Attorney General's suggestion that no bills be introduced at this time. There could not have been any bill that had been prepared in this short time. It would not meet the requirements and conditions that confront this session. It is a serious matter, and should receive the serious consideration of this House and Senate, not for one day, or for one hour, but it might take a week, or two weeks, to give this serious consideration. This is a very important matter, and cannot be treated lightly, and that is the reason why there are no bills before this House. It is very true we don't wish to stand up here and criticise the Supreme Court. I have no such desire, but I say that the people residing in the southern part of the State are not familiar with the conditions existing up there. His Excellency is not familiar, the gentleman from Wayne is not familiar, and I am lead to believe from reading this decision of the Supreme Court that they are not familiar with the conditions.

What do they say in this decision? They say as follows—the plain provision of the law cannot be set aside, and the consequence is this evil to the homesteaders—they should be amply protected. Section 63 provides that no law shall be set aside where the purchaser and his or her assigns have been in undisputed actual possession for five years. For five years. Now for five years some of these homesteaders have been on this land. The first homesteader took it on the 11th day of July, 1895. That is the date. And even if they should receive a judgment for their improvements, that is not adequate protection to those homesteaders. What they want, and what they are entitled to, is this land.

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They honestly own it. They do not want any judgment for their improvements. What would a little log house mean to a man of business, if you please, here? What would it mean—a little log house chinked up with moss, with a little place for their stock—what would that mean to a man living in the cities? These little improvements—a little house costing $25, but to the homesteaders it means all they have got—it is everything they have got in the world. It is little to us, but that is not the question. It does not amount to much to a man who has a fine residence in the city, but to that homesteader who has gone out there in the woods ten or fifteen miles from a city, or eight or ten miles from the road even, it means everything to him to have some jury pass upon the value of that. They cannot do it. What we want is not what the value of those improvements may be worth, but these homesteaders want just what land they have received, and that is what they are entitled to at the hands of this State.

The Chairman:

I trust the gentleman of the committee will remember the bill and not the Governor is the question before the committee.

Mr. Clute:

I desire to ask the gentleman from Alpena a question or two if he will answer it.

Mr. Gustin:

I will do it if I can.

Mr. Clute:

What did those homesteaders pay for their land when they bought it from the State? What was the price?

Mr. Gustin:

Under the original law as passed in 1893 the homesteaders paid ten cents an acre each year for five years for the land. Last session we amended that law so now they only pay ten cents an acre for all the land, and I think that is too much. We give our best lands away for $16 for 160 acres, and I would like to see homesteaders get just as good lands and just as cheap.

Mr. Clute:

They paid no taxes for five years, as I understand it?

Mr. Gustin:

The law provides further that they shall pay no taxes upon realty for five years, but they must pay taxes on their improvements. Under the original bill, as I understand it, the homesteader paid no taxes until he had completed his homestead entry.

Mr. Clute:

Now, Mr. Chairman, I am glad to see that the gentleman from Alpena is taking such an interest in poor men, but last winter when I had a bill before the committee that he was chairman of, to relieve some of those poor men that were paying taxes on what they owed; not on what they owned, but what they owed on mortgages, I could not get him to consider it and they did not report it out; it was not worth consideration at all. Now, I maintain that the man that has a farm in the southern part of the State and is paying high taxes on what he owns and what he owes and paying interest on mortgages is in worse shape than those gentlemen up there and more to be looked after than they are if they are paying no taxes and paying nothing for their land and are going to

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be let alone for a couple of years. They ought to be reasonably happy. A man down in the southern part of the State don't have a minute to be happy, in the condition in which they are in. So that if he has come to the conclusion that the poor man wants some consideration I hope when he comes to the next Legislature and gets a chance he will report out a bill to give them such consideration and will remember until that time and not forget the racket here.

Mr. Gustin:

I would like to say in reply to this from my friend on the other side of the House that we did have such a bill before my committee and I am glad to say it was not reported out for the reason that it was the judgment of the committee that though the mortgagee paid the taxes they fell back upon the mortgagor, so that if we taxed the mortgages we would not only put a tax upon the land, but also a tax upon the mortgage. That was the reason the bill was not reported out. We thought we did not reach the money loaner and it was for that reason that the poor man would pay a double tax. It has been my experience in my part of the country that the poor man paid the tax upon his land twice, so it was for this reason that the bill was not reported out.

Mr. Clute:

You wanted him to pay the double tax. That was the result of your bill.

Mr. Perry:

Mr. Chairman, I am one of those members who has been criticised, who has not put in a bill for the relief of my constituents. In the early part of last week I received a letter from one of these very men who is liable to suffer from the decision which has been spoken of. He asked me in that letter if this present Legislature would take any action for his relief and those of his class. The only thing that I could answer was that under the limitations and restrictions of the constitution and of the call of the Governor of this State for this special session of the Legislature, we could only do such things as he permitted us to do. He did not afford us the opportunity to introduce bills of this kind or any other kind. We were limited and tied, and now are we to be criticised for not offering any bills that could not be introduced if we had brought in four barrels of bills to relieve these men and no attention would have been paid to them? They could not have been introduced under the call, and the gentleman from Wayne knows it just as well as any other member of this House and he has no right to criticise me and other members of this House for not bringing in bills that could not be introduced under the call.

Mr. Atkinson:

Mr. Chairman.

Mr. Sawyer (interrupting):

Will the gentleman give way just a moment? I ask for a question of personal privilege.

Mr. Atkinson:

Certainly.

Mr. Sawyer:

I think every gentleman upon this floor is satisfied now that my motion ought to have prevailed. There has not been one word said in relation to the merits of this bill yet from any of the distinguished

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gentlemen who have discussed it. Now, cannot we drop this sort of legislation and take the business in hand and dispose of this bill? I move you, Mr. Chairman, that the committee do now arise and report this bill favorably.

Mr. Atkinson:

That I object to. I had no idea of criticising the gentleman from Manistee, but I desire to say this, that if these gentlemen are not willing to face their records themselves with their constituents, and desire to throw the responsibility of the failure to draw bills upon other people, then they are pursuing what to my mind is a very unfair course. The gentleman from Alpena, as well as most of the members of the House, understood very well and have understood for many days that there would be a message on this subject just as soon as the business then before the House could be disposed of.

I ask the gentleman from Alpena now if he has not a bill already prepared, which he has not offered?

Mr. Gustin:

I will reply that I have not.

Mr. Atkinson:

That you have no bill? I will ask you this, did I not ask you to have a bill prepared more than a week ago on that subject?

Mr. Gustin:

No, but what you did say, I think, Colonel, was that you thought the Governor would send in some message on the subject.

Mr. Atkinson:

And that you had better have your bill ready.

Mr. Gustin:

Whether I had better have my bill prepared or not—I do not wish to say anything about that. You said you thought he would send it in.

Mr. Atkinson:

Human memory is frail and I do not care to have any discussion on that subject. I only know that the permission has been given just as quickly as possible and now I am ready to take this position myself and I hope the House will take it—if the gentlemen who represent the homesteaders on this floor particularly, do not want this bill, let us not pass it. If you are opposed to it, I am willing to vote with you against it.

Mr. Gustin:

As I stated in my remarks I am in favor of this bill, if we cannot get anything better; but as I said, we are entitled to something better.

Mr. Atkinson:

Now tell us what we can do. What do you want?

Mr. Gustin:

If in the wisdom of the House, I have a resolution prepared here which I propose to present to the House asking His Excellency to call us back here and pass some bill that will relieve the homesteaders.

Mr. Atkinson:

So that is what you would further have us do, to defeat this bill and ask the Governor to call another session?

Mr. Gustin:

I ask to have this bill passed, rather than to get nothing.

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Mr. Atkinson:

I have only this to say, Mr. Chairman, that so far as I am concerned if the gentleman from Alpena and the gentleman from Manistee will unite in a request I will aid them in either passing this bill and passing such a resolution or defeating this bill and passing such a resolution. I recognize you, gentlemen, as the representatives of the homesteaders. Now tell us what you want and if it is anything within our power we will give it to you; but do not scold us.

Mr. Perry:

I can tell the gentleman very quick what I want. I do not want the blame laid upon me for not doing a thing I could not do.

Mr. Atkinson:

Well, that would not be fair.

Mr. Perry:

Here is the point: To lay the blame of this whole failure not where it belongs, but to lay it upon the innocent, I say again. I made the reply to that man who wrote me for relief that under the limitations of the call I can do absolutely nothing. I was here practically with my hands tied behind me, and worse than that I was laughed at because I could not do anything. A bill could not be introduced under the call until after 10:30 of this very day. Relief for this constituent of mine who wrote me could not be introduced in this House. We asked for an opportunity to consider these bills. We have asked repeatedly for that opportunity and we were denied it, and the gentleman from Wayne is only about one week out of order in his claim that we have had since last Friday. We have had—this House has had absolutely nothing to do since a week ago last Friday, and we were very thankful that one of our members was so fortunate as to get married and give us something to do to take up our attention.

Mr. Colvin:

I am sorry that this great contention has come up. We are going to fritter away this time and do nothing. As far as having another special session, in what better shape will we be in another session than we are here now? We are here now and can pass a bill to protect the homesteaders. I made the prophesy that some moss-back, or some little jackanapes of a lawyer would get up and find fault with this bill; and now they want an extra session, and when we get an extra session, what is the result? There are a lot of men in this House that can't live at home, and they want an extra session to summer out on. They have wintered out one, and now they want to summer out. Mr. Sawyer is right. This bill should have gone to the committee of the whole and it would have been passed without all this discussion. Now, lets look at the thing, and not get up here and fight like a lot of Cheyenne Indians quarreling.

Mr. Reed:

Mr. Chairman, I live in a county that has got more homestead tax lands than any other county in this State. I am in favor of this bill, and I would like to have the bill pass; and I would like to have a great deal better one. When I was home there was from ten or fifteen to twenty-five of these homesteaders calling at my store, and wanting to know what was going to be done, and I told them that undoubtedly the Governor would send a message here that would be a protection in some shape.

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Now we have only got a few hours longer in this session, and if we passed a resolution, I doubt very much if a bill of such great importance could be prepared and passed between now and the hour of 12 o'clock that would be a sufficient protection. This bill protects something for a year. Now, as an illustration: A man moves from the State of Kansas; he comes into my town with a carload of horses and his family come through there—he had a couple or three hundred dollars, and he went on to 160 acres of land. This was over a year and a half ago, and he puts some fair buildings up, and cleared up the land some, and his wife and he got along there. So on Saturday afternoon they believed they would have to leave the farm—would have to leave their place, but now this bill here certainly gives them protection to stay during the next year. If there could be a bill for further protection prepared, I agree with Mr. Gustin that that should be done, but I am not able or capable of doing it. There could be no bill during the time of this session, but if there could be it would be a great blessing to their lands. There is something more than 2,000 of them now—of homesteaders of the State, and it reaches a population of about ten thousand inhabitants, and they all have been living in a state of suspense as to whether the laws are to permit them to keep their homes. I think it would be a great thing as time is short, and the only thing we could do is to have this bill passed.

Mr. Lusk:

It seems to me that we are compelled at this time to dispose of this question in the manner embodied in the bill before us. I share in the general sentiment expressed by the gentleman from Alpena. I realize the situation fully. While there are no homesteaders in my district, Mr. Chairman, my colleague is not here and I know he is interested in the matter that is now before us for consideration. I regret as I said before, that it is necessary for us to take the action contemplated in this bill, and I am sorry that it has been necessary for the Governor to withhold the communication on this subject until today. I believe it would have been possible to have prepared a bill, and for us to have taken it under consideration during the week that has passed while we have had practically nothing to do. Now, Mr. Chairman, I would be very glad if my friend from Alpena had a proposition to submit that would seem to meet the conditions now before us better than the bill that is now before us. If he has no such proposition, I assume that it would be necessary in the interests of these people, these pioneers in the pine districts, in the northern part of the State—the northern section—to throw around them the safeguards provided in the bill that is now before us, and to pass this bill if it is a possible thing to do. However, gentlemen, I sincerely believe that we would be justified, and the Governor of this State would be justified in calling an extra session of this Legislature to consider this question. While I have not looked with favor upon this special session, and I do not desire to have another session called, from what I know of this subject, and the interest involved, I am convinced that he would be justified in assembling us to take up this question and go fully into it and consider it and discuss it as fully as it deserves, and if it shall not seem to be a wise course to take, and if the executive believes under the circumstances it will not, and we think it is best to pass the measure that is now before us in the absence of any desirable proposition, I am prepared to vote for this bill.

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Mr. F. Shepherd:

While I agree with my friend from Alpena in deciding to vote for this bill, I do so somewhat under protest. I do not lay the fault on any particular person, or upon any member. I am not among those who have criticised the Executive for calling this special session. The fact is, our tax laws are in a deplorable condition, and have been for a good many years. It has not been the fault, Mr. Chairman, of the members of the Legislature particularly. It has been the fault of the founders of the State and those who built our present institutions. The Legislature comes together every other year, a mob, totally unacquainted with one another, not knowing who it is safe to follow, and we are not fairly organized before we are deluged with bills, and about the time we are fairly at work, the newspapers are making fun of the Legislature and calling for an adjournment. Whether or not it is demanded by the people, I don't know, but there seems to be an impression going about, that the Legislature is delaying business for the purpose of staying in Lansing at public expense. Business is rushed through, measures are being suggested, and the Legislature adjourns never to meet again; the same thing is repeated at the next session, and so we go on year after year. A scheme of taxation is taken up, fault is found with it in certain directions after a certain line of policy has been established and the courts have ruled upon the main point of it, and the lawyers and the courts of the State have a settled opinion in regard to it, it is thrown aside, and an entirely new system is taken up, and this is but a repetition of what has happened to the State time after time. We are met with an exigency. I don't know at the moment how to meet it. Perhaps if we had more time, we could not do any better than to pass this bill. It seems to me, however, that if we could have twenty days longer in which to consider taxation matters, and could thoroughly digest them, committees who have become organized, and in whom we would have confidence, that something beneficial might result. But in the short time remaining at our disposal, I don't see how anything better can be done than to pass this bill.

There is another matter that the gentleman from Alpena touched upon lightly, that is of considerable moment. He told us that some 400,000 acres, perhaps more than that, have been taken out of the taxing power of the municipalities and are not now being taxed at all, not listed for taxation purposes that ought to go back into the taxing list. The Supreme Court have said that it has no business in the Land Office, but it is there, and probably there is no power under our present laws to tax it. The owners of that land are among those who are able to pay taxes, and they should carry their share of the public burdens. And this homestead matter should be considered, and other matters in regard to taxation should have careful and prompt attention; but at the same time, this matter has been introduced and it tides over the matter for a while. It throws the responsibility on to the succeeding Legislature, who will probably be no better able to cope with it than those who have passed it, but it relieves us for the moment of the responsibility. And under all the circumstances of the case. I shall be disposed to vote for it, although it is a hardship to the people in the northern communities, not only the homesteader, but those who are compelled to pay municipal taxes, and who live alongside a piece of land that does not pay taxes, while they have to do

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their share towards building roads, and maintaining municipal government.

The Chairman:

Are there any amendments to the body of the bill. If there are none it will be passed. It is passed.

The Clerk then read the next bill on the order, and no amendments being offered, the Chairman declared the bill passed.

On motion of Mr. Sawyer,

The committee arose, and the House was called to order by the Speaker.

By the committee of the whole:

The committee of the whole have had under consideration the following bills:

1.—House bill No. 22, entitled

A bill for the protection of homesteaders.

2.—House bill No. 21, entitled

A bill to suspend the refunding by the Auditor General of moneys to purchasers of certain tax titles held invalid, and to prohibit proceedings for the recovery of the same.

Have made no amendments thereto, and have directed their chairman to report the same back to the House, and recommend their passage.

E. J. Adams,
Chairman.

Report accepted and committee discharged.

On motion of Mr. Kelly,

The rules were suspended, two-thirds of all the members present voting therefor, and the two named bills were put upon their immediate passage.

The first named bill, being

House bill No. 22, entitled

A bill for the protection of homesteaders,

Was read a third time and passed, a majority of all the members elect voting therefor, by yeas and nays, as follows:

YEAS.

Mr. Adams	Mr. Eikhoff	Mr. Peek
Allison	Fleischhauer	Perry
Alward	Foster	Peters
Anderson	Fuller	Petrowsky
Atkinson	Gibson	Phillips, M. F.
Babcock, C. G.	Gillam	Powers
Babcock, H.	Goodell	Reed
Bates	Gustin	Savage
Belknap	Hammond	Sawyer
Bemis	Harris	Scully
Billings	Hart	Shepard, F. M.
Bricker	Herrig	Shepherd, F.
Brownell	Hofmeister	Shisler
Bryan	Jackson	Smith, C.
Cahoon	January	Smith, C. R.
Caldwell	Kelly	Stewart
Camburn	Lusk	Stoneman
Campbell	Marsilje	Tefft
Clute	Miller	Vought

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Mr. Coad	Mr. Molster	Mr. Weier
Colvin	Moore, M. G.	Wetherbee
Connors	Niedermeier	Whitney
Crippen	Oberdorffer	Widoe
Dickinson, J. H.	O'Dett	Wing
Dickinson, L. D.	Otis	Zimmerman
Donovan	Pearson	Speaker

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NAYS. 0

Title agreed to.

On motion of Mr. Kelly,

By a vote of two-thirds of all the members elect, the bill was ordered to take immediate effect.

The second named bill, being

House bill No. 21, entitled

A bill to suspend the refunding by the Auditor General of moneys to purchasers of certain tax titles held invalid, and to prohibit proceedings for the recovery of the same.

Was read a third time and passed, a majority of all the members elect voting therefor, by yeas and nays, as follows:

YEAS.

Mr. Adams	Mr. Eikhoff	Mr. Pearson
Allison	Fleischhauer	Petrowsky
Alward	Foster	Phillips, M. F.
Anderson	Fuller	Powers
Atkinson	Gibson	Reed
Babcock, C. G.	Gillam	Rulison
Babcock, H.	Goodell	Savage
Bates	Gustin	Sawyer
Belknap	Hammond	Scully
Bemis	Harris	Shepard, F. M.
Billings	Hart	Shepherd, F.
Bricker	Herrig	Shisler
Brownell	Hofmeister	Smith, C.
Bryan	Jackson	Smith, C. R.
Cahoon	January	Stewart
Caldwell	Kelly	Stoneman
Camburn	Lusk	Tefft
Campbell	Marsilje	Vought
Clute	Miller	Weier
Coad	Molster	Wetherbee
Colvin	Moore, M. G.	Whitney
Connors	Niedermeier	Widoe
Crippen	Oberdorffer	Wing
Dickinson, J. H.	O'Dett	Zimmerman
Dickinson, L. D.	Otis	Speaker
Donovan		

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NAYS. 0

Title agreed to.

On motion of Mr. Kelly,

By a vote of two-thirds of all the members elect, the bill was ordered to take immediate effect.

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Mr. Molster offered the following:

Whereas, The present Legislature of Michigan at its regular session passed a law (Public act No. 259 of 1897) providing for the economical use and disposal of the products of the several benevolent, penal and reformatory institutions of the State of Michigan; and,

Whereas, The Boards of Control of each of the several benevolent, penal and reformatory institutions of the State of Michigan have not complied with said public act No. 259 of 1897, therefore, be it

Resolved, That the House of Representatives of the State of Michigan request the respective boards of each of the several benevolent, penal and reformatory institutions of the State of Michigan to comply with said public act No. 259 of 1897; and be it further

Resolved, That the Clerk of the House be requested to send a certified copy of these resolutions, together with a copy of said public act No. 259 of 1897, to each of the Boards of Control of the several benevolent, penal and reformatory institutions of the State of Michigan.

Mr. F. Shepherd:

Do I understand that this is a request for some of the boards of control to comply with the law?

The Speaker:

That is as the Chair understands it.

Mr. F. Shepherd:

Then I move that it lie upon the table.

Mr. Molster:

On that question I demand the yeas and nays.

The yeas and nays were ordered.

Mr. Donovan:

Cannot we hear some explanation of the purpose of that resolution? We do not understand it here.

The Speaker:

No debate can be allowed upon a motion to table unless the motion to table is withdrawn.

Mr. F. Shepherd:

I hope the gentleman will be given unanimous consent to explain the motive of the resolution. I will withdraw the motion for the present.

Mr. Molster:

At our last session we passed a law that would compel the State institutions in case an article was made in one institution that could be used in another they could make it. The object of the law was to have our prisons making goods for the State, so that the State could get them at actual cost and not go outside and buy them. We passed that law at the last session and the boards should have met in September, but they did not. They should meet now the fourth Monday in this month, and I simply take this way of getting it before the boards so they may have official notice of the law, and I hope this resolution will pass.

Mr. Eikhoff:

I desire to say in behalf of this resolution that it is a step in the right direction. The step has been taken in New York so far as the economical use of the products of our penal institutions is concerned. It has proven a success there. Now, the Legislature last year saw fit to go into this matter to this extent, and no harm can come from it, and the State will profit to the extent of the profit that is realized by

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the dealers, to the amount of goods that are purchased from our penal institutions. That is all there is to the matter, and my friend saw fit to introduce a resolution so as to call it to the attention of the various boards.

Mr. Atkinson:

Mr. Speaker and gentlemen of the House, I hope this resolution will prevail. We have seen fit in the wisdom of the House and the Senate to pass this bill and the Governor saw fit to sign it. The different boards of control up to this time have paid no attention to the law, and I think, gentlemen of the House, that we have a perfect right, if we had a right to pass the law, we have a perfect right to call the attention of the different boards to the law, and I heartily hope the resolution will prevail, and see no reason why it should not.

Mr. Lusk:

On the question of the adoption of the resolution I demand the yeas and nays.

The yeas and nays were ordered.

Mr. F. Shepherd:

It seems to me that this is most silly and undignified and unnecessary to ask an officer of this State to comply with the laws that the Legislature has passed; but if it will satisfy any member of this House or help him politically or otherwise, I have no objection to it.

Mr. Bemis:

It seems to me that this is exercising an Executive function, seeing to the execution of the laws.

Mr. Peters:

I move that the resolution be laid on the table.

Mr. Molster demanded the yeas and nays.

The demand was seconded, and the motion did not prevail by yeas and nays as follows:

YEAS.

Mr. Alward	Mr. Donovan	Mr. Marsilje
Babcock, H.	Fleischhauer	Otis
Bemis	Fuller	Peters
Camburn	Hammond	Shepard, F. M.
Coad	Hart	Shisler
Connors	Hofmeister	Smith, C.
Crippen	Jackson	Tefft

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NAYS.

Mr. Adams	Mr. Gibson	Mr. Phillips, C. C.
Allison	Gillam	Phillips, M. F.
Anderson	Goodell	Powers
Atkinson	Gustin	Reed
Babcock, C. G.	Herrig	Savage
Belknap	January	Shepherd, F.
Bryan	Kelly	Smith, C. R.
Cahoon	Lusk	Stewart
Caldwell	Miller	Stoneman

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Mr. Campbell	Mr. Molster	Mr. Vought
Clute	Moore, M. G.	Weier
Colvin	Niedermeier	Wetherbee
Dickinson, J. H.	Oberdorffer	Whitney
Dickinson, L. D.	O'Dett	Wing
Eikhoff	Pearson	Speaker
Foster	Perry	47

The question then being on the adoption of the resolution, and the demand for the yeas and nays having been seconded,
The resolution was then adopted by yeas and nays as follows:

YEAS.

Mr. Adams	Mr. Gibson	Mr. Phillips, M. F.
Allison	Gillam	Powers
Anderson	Gustin	Reed
Atkinson	Hart	Savage
Babcock, C. G.	Herrig	Scully
Babcock, H.	January	Shepherd, F.
Brownell	Kelly	Smith, C. R.
Bryan	Lusk	Stewart
Cahoon	Miller	Stoneman
Campbell	Molster	Vought
Clute	Moore, M. G.	Weier
Colvin	Oberdorffer	Wetherbee
Dickinson, J. H.	O'Dett	Whitney
Dickinson, L. D.	Perry	Wing
Eikhoff	Phillips, C. C.	Speaker
Foster		46

NAYS.

Mr. Crippen	Mr. Alward	Mr. Marsilje
Bates	Donovan	Niedermeier
Bemis	Fleischhauer	Otis
Bricker	Fuller	Peters
Caldwell	Hammond	Shepard, F. M.
Camburn	Harris	Shisler
Coad	Hofmeister	Smith, C.
Connors	Jackson	Tefft
		24

On motion of Mr. Fuller,
The House took a recess until 8 o'clock this evening.

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EVENING SESSION.

8 o'clock p. m.

The House met and was called to order by the Speaker.

Roll called: quorum present.

Mr. Fuller offered the following:

Concurrent resolution directing the Board of State Auditors to settle and adjust the claim of the Military Department for clerical services, stationery and postage, for investigating bounty claims, issuing certificates of service and furnishing data and records of service to the soldiers of the last war for the years 1897 and 1898.

Whereas, It appears that a large part of the work of the Adjutant General's office consists in investigating bounty claims, furnishing certificates of service and statements of war records to the soldiers of the last war, and none of the military funds at the disposal of the Military Department are available for such work; and,

Whereas, The said work has been conducted for the current year and the year 1897 at the expense of the National Guard fund,

Resolved by the House (the Senate concurring), That the Board of State Auditors be and is hereby authorized and directed to investigate and examine into the expense of such work, and determine as to what amount of the same should rightfully be paid from the general fund for the years 1897 and 1898. And if, upon examination of the facts, it is found that the National Guard or other military funds of the State ought to be credited with an allowance for such work, the Board of State Auditors is authorized, empowered and directed to draw their warrant for such sum upon the general fund, the amount of the same to be placed to the credit of the proper military fund.

Pending the order that the resolution lie over one day under the rules,

On motion of Mr. Fuller,

The rules were suspended, two-thirds of all the members present voting therefor, and the resolution was put upon its immediate consideration.

The resolution was then adopted.

Mr. Bryan offered the following:

Resolved, That the Senate stenographers be requested to transcribe the notes of the arguments before the Senate committee, made by Hon. John T. Rich, Hon. Cyrus G. Luce, and Hon. John Atkinson, relative to House bill No. 1, known as the "Atkinson bill," and that the same be printed in the supplement;

Which was adopted.

Mr. Lusk arose to a question of personal privilege, and stated his reasons for voting as he did on the so-called "Bemis bill."

The Speaker declared the subject matter of the explanation out of order, and not admissible to the Journal record.

Mr. Zimmerman moved that the explanation made by Mr. Lusk be printed in the Journal.

Which motion,

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On motion of Mr. Kelly,
Was laid on the table.

Mr. Gustin offered the following:

Resolved, That the Board of State Auditors are hereby authorized and directed to place the wash room and cloak room in connection with this hall in good sanitary condition by means of tile flooring and such other devices as will tend to cleanliness and consequent healthfulness;

Which was adopted.

Mr. Fuller offered the following:

Resolved, That the contractor for the mailing of the Legislative Journal be authorized to send two copies of the Legislative Journal of April 12th and 13th to the postoffice address of each member of the House;

Which was adopted.

The Speaker announced the following:

EXECUTIVE OFFICE,
Lansing, April 12, 1898.

To the Honorable, the Senate and House of Representatives:

Whereas, It becomes necessary in the event of the United States engaging in a foreign war for the patriotic citizens of the Commonwealth of Michigan, to engage in actual military duty to protect the honor of our nation, and as this duty might call them to a foreign land or sea, and thereby deprive them of the privilege of appearing in the courts of this State and defending their property rights and interests as they might otherwise,

Therefore, In consideration of the patriotism and service rendered to country by citizens of this State while engaged in actual military duty in the service of this State, or of the United States in the event of a foreign war, I recommend, that you take such steps as you may deem proper and necessary to protect the property of all such citizens from execution, seizure, levy or attachment for debts contracted prior to, or during such service, and that they shall not be subject to proceedings in this State for the collection of any debt incurred prior to or during such period of service.

Very respectfully,
H. S. Pingree,
Governor.

The message was ordered spread on the Journal.

Mr. Colvin, unanimous consent having been given and leave being granted, introduced

House bill No. 23, entitled

A bill to protect members of the State militia and all citizens of the State of Michigan in the service of the United States and their property from execution, seizure and levy, and to provide for the continuance of pending suits in law and chancery in the event of war.

The bill was read a first and second time by its title and, pending its reference to a committee,

On motion of Mr. Colvin,
The bill was laid on the table.

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The Speaker announced the following:

SENATE CHAMBER,
Lansing, April 12, 1898.

To the Speaker of the House of Representatives:

Sir—I am instructed by the Senate to return to the House the following concurrent resolution:

Concurrent resolution directing the Board of State Auditors to settle and adjust the claim of the military department for clerical services, stationery and postage, for investigating bounty claims, issuing certificates of service and furnishing data and records of service to the soldiers of the last war for the years 1897 and 1898.

Whereas, It appears that a large part of the work of the Adjutant General's office consists in investigating bounty claims, furnishing certificates of service and statements of war records to the soldiers of the last war, and none of the military funds at the disposal of the military department are available for such work, and

Whereas, The said work has been conducted for the current year and the year 1897 at the expense of the National Guard fund,

Resolved by the House (the Senate concurring), That the Board of State Auditors be and is hereby authorized and directed to investigate and examine into the expense of such work, and determine as to what amount of the same should rightfully be paid from the general fund for the years 1897 and 1898. And if upon examination of the facts, it is found that the National Guard or other military funds of the State ought to be credited with an allowance for such work, the Board of State Auditors is authorized, empowered and directed to draw their warrant for such sum upon the general fund, the amount of the same to be placed to the credit of the proper military fund.

In the adoption of which the Senate has concurred.

Very respectfully,
Charles S. Pierce,
Secretary of the Senate.

The resolution was ordered enrolled under the rules, for presentation to the Governor.

The Speaker also announced the following:

SENATE CHAMBER,
Lansing, April 12, 1898.

To the Speaker of the House of Representatives:

Sir—I am instructed by the Senate to return to the House the following bill:

House bill No. 5, file No. 4, entitled

A bill to amend section 2 of act 140 of the session laws of 1867, the same being chapter 103 of Howell's annotated statutes, relative to the licensing and taxing of express companies incorporated in other states;

In the passage of which the Senate has concurred by a majority vote of all the Senators elect.

Very respectfully,
Charles S. Pierce,
Secretary of the Senate.

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The bill was ordered enrolled under the rules for presentation to the Governor.

Mr. Dudley moved that a committee of three be appointed to wait on His Excellency the Governor, and inform him that the House has finished its business and inquire if he has any further communication to make;

Which motion prevailed.

The Speaker appointed as such committee, Messrs. Dudley, Vought and Brownell.

After a short absence the committee returned and reported that they had performed the duty assigned them, and were discharged.

Mr. Lusk offered the following:

Resolved, That the House hereby renews its repeated expressions of appreciation of the services rendered this body and the State by the Hon. W. D. Gordon, Speaker of the House, recognize again his brilliant abilities and superb qualities, his uniform consideration and courtesy to the members of the House, and we hereby pledge to our Speaker our sincere friendship, with the hope that his future life will be crowned with the highest successes, with health and happiness for himself and family;

Which was adopted by a unanimous rising vote.

Mr. Colvin moved to take from the table

House bill No. 23, entitled

A bill to protect members of the State militia and all citizens of the State of Michigan in the service of the United States and their property from execution, seizure and levy, and to provide for the continuance of pending suits in law and chancery in the event of war.

Which motion prevailed.

On motion of Mr. Colvin,

The rules were suspended, two-thirds of all the members present voting therefor, and the bill was put upon its immediate passage.

The bill was read a third time and the question being upon its passage, pending the taking of the vote thereon,

Mr. Sawyer moved to amend the bill by striking out all of section 3;

Which motion prevailed.

The bill was then passed, a majority of all the members elect voting therefor, by yeas and nays, as follows:

YEAS.

Mr. Adams	Mr. Foster	Mr. Oberdorffer
Allison	Fuller	O'Dett
Alward	Gibson	Otis
Anderson	Gillam	Pearson
Atkinson	Goodell	Peek
Babcock, C. G.	Goodyear	Peters
Bates	Green	Phillips, M. F.
Belknap	Gustin	Powers
Billings	Hammond	Reed
Bricker	Harris	Rulison
Bryan	Hart	Sawyer
Cahoon	Herrig	Scully
Camburn	Hofmeister	Shepherd, F.

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Mr. Campbell	Mr. Jackson	Mr. Shisler
Coad	January	Smith, C.
Colvin	Kelly	Smith, C. R.
Connors	Lusk	Tefft
Crippen	Marsilje	Weier
Dickinson, J. H.	Mayer	Whitney
Dickinson, L. D.	Miller	Widoe
Donovan	Molster	Zimmerman
Eikhoff	Moore, M. G.	Speaker
Fleischhauer	Niedermeier	68

NAYS. 0

Title agreed to.

On motion of Mr. Colvin.

By a vote of two-thirds of all the members elect, the bill was ordered to take immediate effect.

The Speaker also announced the following:

SENATE CHAMBER,
Lansing, April 12, 1898.

To the Speaker of the House of Representatives:

Sir—I am instructed by the Senate to return to the House the following bill:

House bill No. 20, entitled

A bill providing for submitting to the qualified electors of this State, the question of a general revision of the constitution of the State of Michigan.

In the passage of which the Senate has concurred by a majority vote of all the Senators elect.

Very respectfully,
Charles S. Pierce,
Secretary of the Senate.

The bill was ordered enrolled under the rules for presentation to the Governor.

Mr. Zimmerman offered the following:

Whereas, The Clerk of the House, his associate clerks, the Sergeant-at-Arms and his assistants, and the messengers, have in a most creditable and efficient manner performed the duties of their respective offices, for which the members feel extremely grateful, and desire to leave some evidence of their appreciation; therefore, be it

Resolved, That the House tender the officers herein designated our most hearty thanks for the favors shown the members during this session, and offer this resolution as evidence of their kindliest esteem and warm friendship in which they are held;

Which was adopted.

Mr. Lusk moved that a committee of three be appointed to wait on the Senate and inform that body that the House has finished its business and is ready to adjourn.

Which motion prevailed.

The Speaker announced as such committee Messrs. Lusk, C. R. Smith and Hart.

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The Speaker announced the following:

SENATE CHAMBER,
Lansing, April 12, 1898.

To the Speaker of the House of Representatives:

Sir—I am instructed by the Senate to return to the House the following bill:

House bill No. 17, entitled

A bill authorizing a war loan and providing for the disbursements of the proceeds therefrom and for a war loan sinking fund for the purpose of liquidating the loan.

In the passage of which the Senate has concurred by a majority of all the Senators elect, and by a vote of two-thirds of all the Senators elect has ordered the same to take immediate effect.

Very respectfully,
Charles S. Pierce,
Secretary of the Senate.

The bill was ordered enrolled under the rules, for presentation to the Governor.

The Speaker also announced the following:

SENATE CHAMBER,
Lansing, April 12, 1898.

To the Speaker of the House of Representatives:

Sir—I am instructed by the Senate to return to the House the following bill:

House bill No. 19, entitled

A bill to promote the efficiency of the Michigan National Guard and Naval Militia of the State, and to provide for the organization of the volunteer militia in case of emergency.

In the passage of which the Senate has concurred by a majority vote of all the Senators elect, and by a vote of two-thirds of all the Senators elect has ordered the same to take immediate effect.

Very respectfully,
Charles S. Pierce,
Secretary of the Senate.

The bill was ordered enrolled under the rules, for presentation to the Governor.

The Speaker also announced the following:

SENATE CHAMBER,
Lansing, April 12, 1898.

To the Speaker of the House of Representatives:

Sir—I am instructed by the Senate to return to the House the following bill:

House bill No. 18, entitled

A bill to amend section number 36 of act No. 184 of the public acts of 1893, entitled "An act to provide for the enrollment, organization, equipment, maintenance and discipline of the naval militia of the State," approved May 31, 1893, as amended by act number 211 of the public acts of eighteen hundred and ninety-five.

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In the passage of which the Senate has concurred by a majority vote of all the Senators elect, and by a vote of two-thirds of all the Senators elect has ordered the same to take immediate effect.

Very respectfully,

Charles S. Pierce,

Secretary of the Senate.

The bill was ordered enrolled under the rules, for presentation to the Governor.

The Speaker also announced the following:

SENATE CHAMBER,
Lansing, April 12, 1898.

To the Speaker of the House of Representatives:

Sir—I am instructed by the Senate to return to the House the following bill:

House bill No. 23, entitled

A bill to protect the State militia and all citizens of the State of Michigan, in the service of the United States, and their property from execution, seizure and levy, and to provide for the continuance of pending suits in law and chancery, in the event of war;

In the passage of which the Senate has concurred by a majority vote of all the Senators elect, and by a vote of two-thirds of all the Senators elect has ordered the same to take immediate effect.

Very respectfully,

Charles S. Pierce,

Secretary of the Senate.

The bill was order enrolled under the rules, for presentation to the Governor.

The Speaker also announced the following:

SENATE CHAMBER,
Lansing, April 12, 1898.

To the Speaker of the House of Representatives:

Sir—I am instructed by the Senate to return to the House the following bill:

House bill No. 22, entitled

A bill for the protection of homesteaders;

In the passage of which the Senate has concurred by a majority vote of all the Senators elect, and by a vote of two-thirds of all the Senators elect has ordered the same to take immediate effect.

Very respectfully,

Charles S. Pierce,

Secretary of the Senate.

The bill was order enrolled under the rules, for presentation to the Governor.

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The Speaker also announced the following:

SENATE CHAMBER,
Lansing, April 12, 1898.

To the Speaker of the House of Representatives:

Sir—I am instructed by the Senate to return to the House the following bill:

House bill No. 21, entitled

A bill to suspend the refunding, by the Auditor General, of moneys to purchases of certain tax titles held invalid, and to prohibit proceedings for the recovery of the same;

In the passage of which the Senate has concurred by a majority vote of all the Senators elect, and by a vote of two-thirds of all the Senators elect has ordered the same to take immediate effect.

Very respectfully,
Charles S. Pierce,
Secretary of the Senate.

The bill was order enrolled under the rules, for presentation to the Governor.

Mr. Fleischhauer moved that the House adjourn,

Which motion prevailed, and

The Speaker declared the House adjourned until 10 o'clock a. m. tomorrow morning.

Lansing, Wednesday, April 13, 1898.

The House met pursuant to adjournment and was called to order by the Speaker.

Roll called: not a quorum present.

The following members answered to their names: Messrs. Adams, Alward, Atkinson, Bemis, Billings, Bricker, Bryan, Colvin, Connors, Crippen, L. D. Dickinson, Donovan, Dudley, Fleischhauer, Foster, Gillam, Goodell, Graham, Green, Harris, Hart, Herrig, January, Kimmis, Lusk, Niedermeier, Rulison, F. Shepherd, Teft, Vought, and Weier.

The Clerk announced that the following entitled bills had been duly enrolled under the rules, and presented to the Governor:

House bill No. 5 (file No. 4), entitled

A bill to amend section 2 of act 140 of the session laws of 1867, the same being chapter 103 of Howell's annotated statutes relative to the licensing and taxing of express companies incorporated in other states;

Also:

House bill No. 20, entitled

A bill providing for submitting to the qualified electors of this State. the question of a general revision of the constitution of the State of Michigan;

Also:

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House bill No. 17, entitled

A bill authorizing a war loan and providing for the disbursements of the proceeds therefrom and for a war loan sinking fund for the purpose of liquidating the loan;

Also:

House bill No. 19, entitled

A bill to promote the efficiency of the Michigan National Guard and Naval Militia of the State and to provide for the organization of the Volunteer Militia in case of emergency;

Also:

House bill No. 18, entitled

A bill to amend section No. 36 of act No. 184 of the public acts of 1893, entitled "An act to provide for the enrollment, organization, equipment, maintenance and discipline of the Naval Militia of the State," approved May 31, 1893, as amended by act No. 211 of the public acts of 1895;

Also:

House bill No. 23, entitled

A bill to protect the State Militia and all citizens of the State of Michigan in the service of the United States and their property from execution, seizure and levy, and to provide for the continuance of pending suits in law and chancery, in the event of war;

Also,

House bill No. 22, entitled

A bill for the protection of homesteaders;

Also:

House bill No. 21, entitled

A bill to suspend the refunding by the Auditor General of moneys to purchasers of certain tax titles held invalid, and to prohibit proceedings for the recovery of the same;

Also:

Concurrent resolution directing the Board of State Auditors to settle and adjust the claim of the Military Department for clerical services, stationery and postage, for investigating bounty claims, issuing certificates of service and furnishing data and records of service to the soldiers of the last war, for the years 1897 and 1898.

The Speaker announced the following:

SENATE CHAMBER,
Lansing, April 13, 1898.

To the Speaker of the House of Representatives:

Sir—I am instructed by the Senate to return to the House the following bill:

House bill No. 6 (file No. 5), entitled

A bill to amend section 3 of article 3 of act 198, session laws of 1873, as amended by act 45, public acts of 1879, as amended by act 174, public acts of 1891, as amended by act 129, public acts of 1893, as amended by act 228 of the public acts of 1897, entitled "An act to revise the laws providing for the incorporation of railroad companies, and to regulate the running and management, and to fix the duties and liabilities of all said roads and other corporations, owning or operating any railroad in this State," approved May 1, 1873, being compiler's section 3360, Howell's annotated statutes of Michigan;

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Also:

House bill No. 14 (file No. 13), entitled

A bill to amend section 33 as amended of an act, entitled "An act to authorize the sale of the Central Railroad and to incorporate the Michigan Central Railroad company," approved March 28, 1846;

In the passage of which the Senate has non-concurred.

Very respectfully,

Charles S. Pierce,

Secretary of the Senate.

The two bills were laid on the table.

No further business appearing, and the hour of 12 o'clock noon having arrived,

The Speaker declared the House adjourned sine die.

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APPENDIX.

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PROCEEDINGS

OF

COMMITTEE ON REVISION AND AMENDMENT OF STATUTES.

Thursday Evening, March 24, 1898.

The committee met in Representative Hall with the other committees of the House having bills under consideration, and also the corresponding committees of the Senate as their guests.

The meeting was called to order by Mr. Atkinson, chairman of the revision committe, and

On motion,

Mr. Atkinson was chosen as the chairman of the evening.

Mr. Atkinson:

Gentlemen of the joint committees, I am much obliged to you for the kindness you have shown in electing me chairman of this meeting.

We have assembled to hear a discussion of the bills now before the different committees relating to the subject covered by the Governor's proclamation.

I shall ask the chairman of each committee present to kindly state what bills are in the hands of his committee. With your permission I will first ask the chairmen of the House committees to do so; and then the chairmen of the Senate committees.

Mr. Foote, of the railroad committee, what bills are before your committee.

Mr. Foote:

Mr. Chairman, and members of the committee, the only bill that is referred—that is, that has reached the committee on Railroads—is the bill for the repeal of the Michigan Central charter.

Other bills have been referred, but they are not printed.

Mr. Atkinson:

Mr. Gustin, what bills, if any, are before the committee on taxation?

Mr. Gustin:

The only bills before the committee on taxation were two bills that were referred jointly to the committee on Railroads and to the committee on General Taxation. I believe one is a local tax (popularly

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known as the local tax idea), and the other is a somewhat amended bill of a bill now before the committee on Revision of Statutes. Both of these bills, however, are in the printer's hands and have not been returned to the committee for consideration as yet.

Mr. Atkinson:

Have you the copy of the Smith bill?

Mr. Gustin:

I do not know whether Mr. Smith has a copy or not; I will see him.

Mr. Smith:

No, I have not.

Mr. Atkinson:

Now, gentlemen, what bills are before the Senate?

Mr. Blakeslee:

The bills lying before us are by Mr. Moore, and there is another bill that has been referred to our committee—the joint committee on Taxation of Railroads, Banks and Corporations—for local taxation of railroads.

Mr. Atkinson:

I would suggest, gentlemen, that it would be a good idea to elect a secretary for this joint session, to note the names of the committeemen who are present, if you think that necessary.

Mr. Gustin:

I believe the stenographers have already noted the names of those present.

Mr. Atkinson:

Well, perhaps that would be sufficient then.

Now, gentlemen, this session was intended to give every one who was not a member of the House, who happened to be present and desired to be heard, an opportunity to address the committees in the presence of the House on these bills.

Is there any one present who cares to be heard upon any of these bills?

Mr. Eikhoff:

Mr. Chairman, and gentlemen of the joint committee: I desire to be heard on this bill.

Mr. Atkinson:

First, I wanted to see if there were any strangers not members of either House. Are there any messages—that is, from any person— that desires to be heard.

Mr. Blakeslee:

I have one which reads as follows—it was received this afternoon: "Detroit, Mich., the 24th of March, 1898. On account of insufficient notice railroads interested are unable to be represented at the hearing upon the proposed tax bill tonight; in fact no official notice has been received, and the only information with respect to the hearing has been from newspaper mention. This morning the papers announced that the hearing would be tomorrow (Friday) morning, and we were endeavoring to attend, even on that short notice. It is now too late. But word has come that the hearing is changed until tonight at 7:30 p. m." Signed E. W. Meddaugh, H. W. Ashley and Henry Russell. In reply to this I told them that I thought the hearing would come on tonight and that at this session some conclusion would be reached as to the next meeting of the joint committee and that they would be notified when the next meeting would occur.

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Mr. Atkinson:

Are there any other messages? Is there any one present that desires to be heard?

I would state that in the morning papers— the Detroit papers— the resolution adopted by the House yesterday for the purpose, or rather that we put the hearing off until tomorrow morning, was noted by the papers; but the papers also noted that the matter would be changed to this evening, to accommodate the Senate committees. The last train that would have brought any one from Detroit here in time for this meeting would have left at 1:10 this afternoon—that is the Detroit and Lansing road. I do not know whether there is any train on any other road. You have no messages from any one else?

Mr. Gustin:

The Clerk has just brought House bills 1 and 2, known as the bills introduced by Mr. Atkinson, and also the bill introduced by Mr. Smith. I will just pass them along the table there—one of each kind.

Mr. Chamberlain:

Mr. Chairman, I apprehend that these people who have signified a desire to be here and to be heard before this joint committee would like to be notified of some special time, and I suppose that will be determined before the conclusion of this meeting; therefore I presume it will be necessary to have a secretary to perform that part of the duty and I move that Senator Blakeslee be appointed secretary of this joint committee.

The motion being supported was unanimously adopted.

Mr. Atkinson:

In the absence of any strangers I will take the liberty of calling upon the authors of the bill before us for a statement of their purpose; and I would first call upon Capt. Foote for a statement of the bill as to the repeal of the Michigan Central charter, of which he is the introducer.

Mr. Foote:

My object in introducing this bill was for the purpose of repealing the Michigan Central charter. The bill was before the House at its last session and passed almost unanimously. It did not pass the Senate. I believe that in view of a pending bill of Col. Atkinson's, that it became necessary that the charter be repealed, providing this bill becomes a law, for the reason that the Michigan Central could not then get behind the charter and claim that they were under a special charter, and refuse to pay the taxes that might be assessed against their company, the same as they did the act passed in 1891. This was my sole object and reason for introducing the bill.

Repeal act No. 42 of the Legislature of Michigan passed in 1846, entitled "An act authorizing the sale of the Central Railroad and the incorporating of the Michigan Central Railroad Company, approved March 28, 1846. And to designate a board to adjust any claims for damages on account of said repeal, and to authorize the incorporation of said railroad company under the general railroad laws of the State for the purpose of subjecting said railroad company to the general railroad taxation law of this State and all other general laws."

Since introducing this I have been informed by Col. Atkinson that it would be unconstitutional, for the reason that the charter deals with other matters than taxation, and in that event would not come under the proclamation of the Governor. I am no lawyer and do not

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know very much about the constitution and if that is the case I will not press the bill to a passage. There is a question about it. Whether that is true or not I have been so advised by prominent attorneys.

Mr. Atkinson:

Are there any remarks upon this bill?

Mr. Gillam:

I would like to ask a question and it is this; suppose that a general law providing for the taxation of railroad property should pass the Legislature, would it be possible to collect the tax provided for under that law from the Michigan Central railroad and the other special chartered roads?

Mr. Atkinson:

The Chairman is quite willing to give his opinion. I am of the opinion that the bill introduced by myself or by Mr. Smith should pass the House or Senate that we would be able to collect taxes from all the railroad companies in the State under it, charter or no charter; that is to say, organized under special charter or organized under the general railroad laws of the State. Those are the questions we are here to discuss and I should be glad to hear from other members.

Mr. Bemis:

I would like to ask a similar question. It is along the line of the question just asked by Mr. Gillam. I would like to ask the Chairman or any member of the committee who may wish to answer it, if we would be any more powerful to collect the taxes provided for in the bill just mentioned than is provided for by the bill as passed in the last regular session?

Mr. Atkinson:

To that I would say, as the author of this measure, perhaps I may be permitted to answer that we would.

While the Merriman bill does not, in terms, repeal any part of the Michigan Central charter, this bill does in terms repeal all the old charters so far as they are in conflict with this bill on the subject of taxation, but no farther. So that this bill would give us powers that we do not now possess under the Merriman bill.

C. C. Phillips:

I understand, Mr. Chairman, that it is necessary to obtain a two-thirds vote of each House to pass this bill.

Mr. Atkinson:

I regard that as a very important question. My own judgment is that it does not.

Mr. Phillips:

The Michigan Central charter provides that any alteration of that charter or repeal of that charter or any portion of it requires a two-thirds vote of each House, yet the Chairman is of the opinion that this bill does in terms repeal that charter or a part of it.

Mr. Atkinson:

That would be so if there was no change in the charter and they had lived up to the provisions of the charter, but I would state to you frankly why I express the opinion I do now. The Michigan Central charter was repealed so far as taxation was concerned in 1893, and that amendment was accepted.

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It has been held by our Supreme Court that all amendments to charters passed since 1850, falling within the constitutional provisions of the Legislature, may be repealed, altered or amended. So that on the face of the statutes I think that we can regulate all taxes payable by the Michigan Central railroad by a majority vote. There is also another question upon which I am quite clear in my own mind, but upon which others might regard much more debatable, and that is this: The Legislature of 1846 provided that that act could only be repealed by a two-thirds majority vote of the Legislature. I do not think it competent for one Legislature to pass an act that another Legislature cannot repeal by a majority. I think any act that we should pass today, that we should undertake to put in it that it could not be repealed except by a two-thirds or three-fourths majority, that our successors would not be bound by any such limitations.

Mr. Phillips:

Unless it was in the nature of a contract.

Mr. Atkinson:

If in the nature of a contract, of course, if it is a contract, that settles the whole question, and we must perform it. But the legislative power of the State is not the subject of contract; that is a mere police regulation which may be dealt with at the will of every Legislature. But that question could not arise as to the Michigan Central charter as to taxation comes under the act of 1893, which is by the express terms of the constitution subject to change.

Mr. Phillips:

Then, if the act of 1893 repealed the Michigan Central charter, so far as it relates to taxation, then is it not true that the Michigan Central is liable to taxation under the Merriman bill?

Mr. Atkinson:

The trouble with the Merriman bill is that by its express terms it is confined to corporations organized under the general railroad laws. So without regard to the power to reach the Michigan Central, the terms are not broad enough.

Mr. Phillips:

You said the Michigan Central, by the act of 1893, came under the general railroad law.

Mr. Atkinson:

No, I did not. I did not intend to. There was a special act passed in 1893 for the repeal of the Michigan Central charter, so far as taxes are concerned, providing what taxes they are to pay. It was a special act confined to the Michigan Central, passed in 1893. However, subject to amendment, but they never at any time and in any way have consented to be brought under the general railroad law. There is a theory, I think, on which they come under the general railroad law, and that is the theory that their consolidation as they now exist, and they have consolidated with other companies, and an act was passed in 1891, act No. 123, which provides that railroad companies as formed by the consolidation of railroad companies shall come under the general railroad laws of the State, and I regard the Michigan Central system at present as a consolidation, but eminent counsel who represent that company take the opposite view of it.

Mr. Bemis:

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There is a question I would like to ask if it is not foreign to the matter before us; it certainly bears upon the subject, but in a different way, that is, we are now speaking of the repeal of the Michigan Central charter and suppose we wish to apply it to the other special charter roads. We have a right in the charters of these roads whereby the State might under specified conditions purchase those roads. The question has arisen, I suppose, in the minds of a good many of us, particularly those of us who are not attorneys, have we any such constitutional powers.

Mr. Atkinson:

That is a question I never considered. I might say in answer to the member, however, that the question of repurchasing the Michigan Central charter, in my judgment, is very much misunderstood by very many well informed people.

When the Michigan Central charter was passed there was a company organized and authorized to build a road across the State, its capital was limited to eight millions of dollars, and the State reserved the right to re-buy the road at any time after thirty years. And it was to be re-bought at the price of the Michigan Central stock, plus ten per cent. Now, that was the situation in 1846, when the charter was passed.

The Michigan Central company in 1848 got an amendment to their charter, by which they were allowed to extend their line outside of the State, and form connecting lines between the State line and the city of Chicago, and they were allowed to issue their bonds exchangable for stock for such moneys as they might require in building those roads, so that after that time the price of their stock entirely disappeared and they could issue bonds to any extent they pleased, and exchange the bonds for stock. It certainly would be incompetent for the State to buy a railroad in Indiana or Illinois. So that the right to buy ceased with the act of 1848. But another act was passed in 1855, the general railroad act was passed that year and authorized railroads formed under it to consolidate or make running arrangement with chartered companies, and it authorized the chartered companies to issue bonds or stock to aid in the building of those roads and in maintaining them. At the same session of the Legislature an act was passed amending the Michigan Central charter, in 1855, allowing it to enter into such arrangements as these. So the Michigan Central charter from that time on became a great system rather than a single road, and in all of these acts there is no provision at all by which the State would be entitled to buy it, nor is there any basis for a price at which it could buy it. So that section 36, authorizing a re-purchase practically has disappeared from the legislation of the State, and as the Michigan Central now exists it has something like 1,400 miles of road in this State, it has 400 miles of road in Canada, it has nearly 100 miles or perhaps a little more than one hundred miles in Indiana and Illinois, and I say, in my opinion, in answer to the question of the Representative from Montcalm, that the State now would have no right under the constitution to re-buy the Michigan Central as it now is.

I am here for instruction more than to conduct a lawsuit, so I would be glad to hear from some of the rest of you gentlemen.

If there are no other remarks on the bill to repeal the Michigan Central charter, I would like to call upon Representative Smith, who is the

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author of what is called the Smith bill, if he would be kind enough to tell us what that is and what he seeks to accomplish by it.

Mr. Smith:

I did not expect that that bill would come up this evening and having it here at this time is entirely a surprise to me.

The main objects of the bill are two: I stated at the time I introduced it that I had not yet modeled it as I wished to. I took, as you will find bill No. 1 as a guide and changed simply the first section, making the board consist of the several State officers, as you will see by the section. I did that because I did not feel justified in placing so much in the hands of any one person, although he were the Governor of the State; it might happen that the Governor of the State would be prejudiced against railroad property—it might at some time—and it would be unfair for the Legislators to place all of this power in his hands; he might, without meaning it, do an irreparable injury to them, and for this reason I thought it would be much better to change that provision of this bill so that it would not depend on any one person, but would depend on five different persons, who would be elected by the people, not for that purpose only, but when they were elected they and the people would all understand that this was one of their duties. Now that was one of them.

I had no time at the time I introduced this to pursue it further. There are a couple of sections slightly changed, but only to make it so that it would be operative, but they are not of much consequence.

There was another provision which I did not have time to incorporate, which I shall be as strenuously in favor of as this provision which I did have time to remodel, and that is the method of the board fixing the rate at which the property shall be assessed. Now, although this is not in the bill I suppose it would be proper to give you an idea of what I mean and what I intend to incorporate. This, you will understand, I did not expect to go before the revision committee. If I had supposed it would get before that committee I should have waited and had it all in form before I introduced it, but knowing the old committee, the railroad, and taxation committees, I thought they would allow me, without question to remodel and make this provision, which I will describe to you, that is in section 6, where the rate is fixed under this bill, I would make a proviso that this board, consisting of five, who should place the valuation on the railroads, should also have the right to determine in their own way, in the same manner in which they did the valuation—they should have the right in their own way to determine the tax value of all property in the State for this purpose. I would outline that it would be proper and it would be their duty to examine different classes, parcels and pieces of property in any county or city of the State and compare it with the valuation that the assessors in that district had placed upon it, and then they could figure, taking as many samples as they wished, and making as many examinations as they thought proper, they could figure from those comparisons which they made what the whole cash value of the property in that county or city would be under their method of estimating the cash value of railroads, and in this manner I thought they could find the cash value of every piece of property and railroad in about the same way, and then knowing the sum or amount of the taxes which were raised the previous year, as outlined in the original bill, they could find a rate which would be assessed upon all property, pro-

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vided it were all fixed at its cash value in the same way and by the same method, and in that way they could place a rate upon the valuation of each railroad, and in that way make out the assessment.

I will put that in form and I will ask the committee when it comes before them— I believe it is before the other two committees, the one on Railroads and the one on General Taxation—and I will ask them to make that amendment, and as many more as they see fit, but especially that one. Those are the main objects.

Mr. Atkinson:

I will state that all the committees are here, the committee on Taxation and the committee on railroads, as well as the committee on Revision of Statutes. I presume, if there is no objection, it would be proper to allow Mr. Smith to make the amendment now. I hear no objection.

Mr. Smith:

I think if you are to have another session, you better wait until your next session. I will have it in form so there will be no question about it.

Mr. Atkinson:

Let me ask you this: Does the rest of the bill follow bill No. 1 as it comes from you?

Mr. Smith:

Nearly the same. There are two or three things stricken out, I do not remember what they are. There may be a few words changed otherwise, but nothing in particular.

Mr. Atkinson:

Does any gentleman from the Senate committee desire to give us his views upon this bill before we pass it.

Senator Blakeslee:

We have not seen it until just now.

Mr. Atkinson:

Is there any person who would like to say anything further upon this bill; any member of the House or Senate who is present but not on the committee, any member?

Mr. Donovan:

I would like to ask whether or not the latter part of the bill read by Mr. Smith does not go outside of the proclamation of the Governor.

Mr. Atkinson:

That is the amendment that Mr. Smith says he will introduce?

Mr. Donovan:

Yes, sir.

Mr. Atkinson:

In ascertaining the value?

Mr. Savage:

I would like to ask the introducer of the bill if in assessing other property he meant by that to establish a basis whereby they could determine the value of railroad property, or to determine the tax valuation of the other property, as it should be equalized by the board of equalization.

Mr. Smith:

I think the last part of your proposition is what I mean, that in this method if you find the relative cash value of railroad property and other property, you could then fix the rate accordingly, the rate on the railroad property, what it would be if all other property were assessed at its cash value.

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Mr. Savage:

I ask that question because I believe it hits the objection that Mr. Donovan was asking for information upon.

Mr. Atkinson:

Is there any other gentleman who would like to say anything about the special features of this bill. If there is not I will call upon Representative Green of St. Clair county to explain his local tax bill.

Mr. Green:

I will ask Col. Atkinson to explain the provisions of the bill, he being the author originally.

Mr. Atkinson:

Well, gentlemen of the committees, I had such a little bill as that. I never knew exactly how it got out of my possession, but it turns up and the authorship of it is now acknowledged.

The bill for the local taxation of railroads is very short; it simply provides that railroads shall be assessed and taxed like other property in this State, and I think the bill consisted, as I origianlly drew it, of about three lines, that is all there was of it, so that is the local tax bill. Is there anyone who cares to say anything about the local tax bill? It is a very important bill, though very short; it would create considerable change in our laws if passed.

Mr. Stewart:

Did you introduce the bill at the regular or special session?

Mr. Atkinson:

I never introduced the bill at all. The bill was introduced at the last session by Representative Stoneman, and on my motion was amended to correspond almost entirely with bill No. 1 as now introduced, and in that condition passed the committee of the whole in the House, and as it is introduced now, I will state that it was drawn on the last day or near the last day for introducing bills and then necessarily made somewhat shorter than it otherwise would have been.

Now, with your permission I will explain to you the scheme of the bill.

Under section 1 it is provided that it shall be the duty of the Governor within five days after this act shall take effect and be in force, to appoint four resident freeholders of this State, and their successors thereafter as their terms of office shall expire, who, with the Auditor General of the State shall constitute the State Board of Assessors, of which the Auditor General shall be the President. The persons so appointed shall hold their office for the term of two years from and after the day of their appointment respectively, or until their successors shall be appointed and qualified. A majority of said board shall constitute a quorum for a transaction of the duties prescribed for said board under this act. This is the same as Representative Smith's bill No. 2, except that instead of four persons to be appointed by the Governor, who with the Auditor General shall constitute the board, substitutes the Auditor General, Commissioner of the Land Office, Secretary of State, State Treasurer and Attorney General of the State.

Now I will state to you why my bill was drawn and why bill No. 1 was drawn, so as to give the appointment to the Governor. The officers of the State who are named are all wretchedly paid. The Secretary of State receives only $800, I believe. It may possibly be $1,000. The Com-

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missioner of the Land Office receives only $800, the State Treasurer and Attorney General receive each only $800. Their time is absolutely engrossed with the present duties of their offices. The constitution of the State prevents giving them any further compensation. It was my intention to draw the bill, making them the State Board of Assessors, as Mr. Smith has now proposed it; but it struck me that we ought not to ask those men to do that work for nothing, a constitutional prohibition preventing our paying them for doing it; and their time was so engrossed with their own offices that it didn't seem to me that they could discharge the duties of Assessors in addition to the duties that they already had imposed upon them. It is a very important duty; it is contemplated by the bill that they will probably require a continuous session of about forty days in every year to perform the duties provided by the bill. Now, these are the reasons that influenced my making the bill different in that respect from Representative Smith.

So far as there being a change in the office of Governor, I thought at that time that the Governor would probably always be in accord with the general sentiment of the people of Michigan. He can only be elected by their vote, and only holds his office for two years. The office attracts a great deal of attention from the people when the candidates are before them, so that they pay much more attention to the person they elect as Governor than they do to the persons they elect as State officers. I knew that our present Governor would not always be Governor, though I am in hope that he will be for a long time. There must come an end to his term, and whoever is elected his successor will be the representative of the people in just as full a sense as the State officers could possibly be; so that we lodged, in drawing this bill, the power of appointment in the Governor. That is the reason for the first section.

There is another question in regard to that section I wish to call your attention to. The appointment of the Commissioners differ from some acts and is in accord with others in this, that it does not require the confirmation of the Senate. Now it was not because I thought the Senate ought not to be asked to confirm these Commissioners that this provision was made. This bill might pass both Houses, and yet not be given immediate effect, and if it was not given immediate effect then the Governor could not act under it until the ninety days required by the constitution has expired, and I cannot find any authority for calling the Senate to confirm his nominations without recalling the House at the same time. I should have no objection at all, and would be glad, if in general the bill would be made better by that, to have it so amended that when the Senate next met the Commissioners appointed should be submitted to the Senate for confirmation. I believe in the rule of having them confirmed by the Senate as much as possible, but in this case if we were going to collect taxes under the bill this year it would seem almost impossible to do it.

Mr. Blakeslee:

There are two members of the committee who are not here.

Mr. Atkinson:

I would like to have them here if we can.

I would like to say that the make-up of the board also struck me in this way. It seemed to me that the Governor of the State ought to select four men who would be particularly qualified for this kind of duty.

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They should be among the highest heights of men in our State. They are to deal with very, very important interests, and it also seems to me that they ought to be non-partisan, that we ought not to have a Board of Assessors made up entirely from one party, and if we had a board made up of the State officers it would be a partisan board. On the other hand, if the Governor of the State was required to appoint the officers he could make two of them from one of the great parties and two from the other, leaving the Auditor General, who was to be president of the board and have a balance of power, in accordance with the political sentiment of the State for the time being, whatever that might be. It seemed to me that was fair to the whole people, so that section was drawn in that form.

In the rest of the bill it is provided that the records of the commissioners shall be part of the Auditor General's office, and we have so only to elect a Secretary, so that there shall be no other to be paid than the Secretary, the Auditor General shall be President. The Secretary, during the vacation of the board, shall act under his direction. All notices, all blanks, etc., are required to be prepared by him under the direction of the Auditor General. He is required to devote his entire time to the business of the board and to have his office with the Auditor General in Lansing. This would prevent a great department of the government in growing up with a lot of clerks and great expense.

The bill gives the board a right to examine witnesses. It has access to and a right to examine all books, papers and documents of every kind in any State office. You will remember that there are many reports required by other statutes at the offices of the State. They are on file while there, reports from these various companies of different kinds. The commission would have a right to examine these in any of the departments, observing the rule for the preservation of records made for those departments. Then they are required to make an assessment roll each year of all the property submitted to it and file it with the Auditor General. In arriving at the value of property that they may subpoena witnesses and examine them; any member of the board being capable of administering oaths. There is no penalty provided for any witness failing or refusing. I have provided a penalty instead, because penalties can be recovered often when it would be impossible to convict very respectable persons of a criminal offense.

By section 5 they are required to meet upon the first Monday of September in each year, and between that time and the first Monday of November in each year assess all property submitted to them.

Then section 6, the one that Representative Smith has spoken of, provides that they shall, through the Auditor General's office arrive at the average tax paid by every other kind of property in the State for the preceding year, and we provide that if those records are in any way deficient so that there is not sufficient information in the Auditor General's office, the Auditor General is given power to call upon any county, township or village authorities to give a statement of their taxes, so that he will be able to ascertain exactly what tax is raised in the State for all general purposes. This was drawn so as not to include special assessments, which might be made for sewers, or for improvements of that kind, and which should not go into the general average of taxation.

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Then the board is required to extend the taxes at the average rate. The intention being that railroad companies and others named in the Governor's proclamation, shall pay exactly the average rate paid by other people in the State.

Then follows the deposition of a railroad company; then of express companies; then telegraph companies; then telephone companies. Then there is a report required from each of them, which you will find on page four. Now, with reference to this report—it is precisely the report required by the Ohio statutes as to express companies. The method of taxing express companies, telephone and telegraph companies is copied from the Ohio statutes, which has been pronounced a fair and just statute by the Supreme Court of the United States. The law is here so that any of you can consult it if you see fit. The same provision is applied to telegraph and telephone companies.

The bill provides a penalty of ten thousand dollars against any of these corporations who shall directly or indirectly compromise from the company to any member of the board during his term of office of any gratuity of any kind whatever. That is a penalty of ten thousand dollars that may be recovered from the corporation so offending.

Then section 30 provides that all acts or parts of acts, whether contained in special acts under which any of the companies whose property is reassessed under this act shall be incorporated, or in the general railroad law and the amendments thereto, or in the act for the incorporation of union railroad stations and depot companies, or in any other law of the State, so far as such acts or parts of acts are inconsistent with this act and no further, are hereby repealed: Provided, however, that all rights which the State has now under any said acts for taxes or penalties shall not be in any way affected by this act, and this act shall not constitute a bar against any prosecution or recovery on account of such taxes or penalty.

It seems to me the more I look at it, and I was very much influenced in my opinion on that question by the debate on the local tax bill before the Legislature, that that bill presented difficulties which this one overcomes. The general aim of the bill is to do absolute justice to these companies—to make them pay exactly the average rate of taxes paid by other people in this State—not a cent more, not a cent less. It aims at equality, and nothing more than equality.

Now, as to the distribution of taxes, the bill follows the language of the constitution as to the specific taxes. While this might not be a specific tax possibly and possibly it might be so held by the courts, it provides for distributing the taxes collected under this bill in the same way that the specific taxes now paid on railroads are distributed. In other words, to the schools of the State. The local tax bill presented this difficulty; as it is now drawn every locality that had large depot grounds like Detroit or a large amount of railroad property in it, would get much more than its share. This bill recognizes the fact that the whole State has made great sacrifices to build railroads and to encourage them, and that whatever tax is paid by railroads and other companies doing business all through the State—the entire State—should have a proportional benefit of it and it was thought no fairer way could be found than to distribute the money and distribute it in proportion to the children in the different school districts. We have no State debt at present.

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You will notice that this bill follows the constitution itself— first, however, applied to the payment of the interest on the educational funds and then on the interest of the State debt until that is extinguished. We have no State debt, but a few dollars, but still we do not know what moment we may have a State debt; in case of war or trouble a State debt might arise and then the constitutional provision making this money first available for paying the interest on the State debt, so as to carry out the original intent of the framers of the constitution, would again apply. But at present the entire interest fund would practically go to the school fund of the State.

Now this is the bill, and I beg every member of the committee here to deal with it with absolute freedom. There is no pride of opinion in it; it is only the scheme of equality that I care for so much and it is presented for your consideration.

Now, I understand there is another bill, is there not, Mr. Phillips, that does not seem to reach us relating to express companies, and I would like to call upon Representative C. C. Phillips.

Mr. Phillips:

Mr. Chairman: I introduced a bill this afternoon in the House which has been referred to the committee on Revision of Statutes, providing for taking the express companies out from this bill and leaving them to be taxed as they are at present. The only change that my bill proposed in the present law is to change the word one to five. The present law provides that the express companies of this State shall pay upon their business in this State, which I understand to be the gross receipts of the local business in the State one per cent, and the bill that I have introduced provides that instead of paying one per cent upon the local business, they shall pay five per cent.

Now, my object in introducing that bill was this, that I found by a little inquiry that while the railroads and the telegraph and telephone companies have a large amount of property that is in plain sight of the assessors—easy to get at—that the express companies have practically nothing. I asked a gentleman today—one of the Senators who has been a supervisor in the city of Grand Rapids, or was for several years in the ward in which the express companies were assessed, and he tells me that the express companies in Grand Rapids were only assessed at from six to eight hundred dollars—that was the value of their property assessed in the city of Grand Rapids—so that they practically escaped taxation. Now, if they only paid on that amount of property in the city of Grand Rapids, it seems to me if you make the express companies pay, as this bill provides, on the actual cash value of their property, that you will get even less than the paltry sum we now get under the present law, for under the present law the State got last year or at last returns that I have seen twenty-seven or twenty-eight hundred dollars and the local taxation as you have seen is larger by what I have just said and is nothing comparatively.

Now I believe from all that I can learn that the express companies of this State are making more clean money than the railroad companies of the State, and I see no other way of getting at them to make them pay their just share of the taxes than by some such method as my bill proposes; that is, to increase the specific tax upon their earnings within the State.

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I understand that they cannot, if they receive a dollar for sending a package from Grand Rapids to Toledo, that we cannot tax that dollar, because that is interstate commerce; but if they get fifty cents for sending a package from Grand Rapids to Detroit, that we can assess that because that is business within the State of Michigan, and that business of course—the local business— the business entirely within the State, is only a small part of the receipts of the company—actual receipts from their Michigan business. And so it seems to me that our only recourse to get at them and make them pay their just share of the taxes is by some such measure as I have proposed—to increase the taxes from one per cent on those receipts from local business to five per cent. The computation is very easy. You see it will bring us from thirteen to fourteen thousand dollars from the express companies of the State instead of twenty-seven or twenty-eight hundred dollars.

Mr. Atkinson:

Twenty-five hundred dollars.

Mr. Phillips:

I have not seen the returns later than 1895. Now this involves no change in this bill number one except to strike out of the bill wherever it occurs all reference to express companies.

I shall be very happy to answer any questions that any of you gentlemen wish to ask. The bill has not got into the hands of any committee —of the Revision committee—but probably some of you in your investigations have become somewhat familiar with the law as it now stands; and as I say the only change made is increasing the amount five fold which the express companies now pay.

Mr. Atkinson:

I would state as to bills No. 1 and 2 that the company had to report to the State its entire capital stock and its entire mileage, and then to assess it on a proportion of its mileage in Michigan bears to the whole mileage, and on that proportion of its capital, which would make a return to this State of about forty thousand dollars. In Ohio they get about $68,000,000, I think, and the Ohio act has stood the test of the courts and have been approved by both the Supreme Court of Ohio and the Supreme Court of the United States.

Mr. Phillips:

What section provides that?

Mr. Atkinson:

Section 14. And that is exactly the language of the Ohio statutes. So we would have them on both and in that way we would simply assess the proportion of their capital used in Michigan and not their horse and wagon that they had actually employed here for business purposes.

Mr. Savage:

I would like to ask your judgment in reference to the Smith bill, whether it would be constitutional to allow State officers a per diem that would be allowed the board under bill No. 1?

Mr. Atkinson:

I think it would not.

Mr. Savage:

I notice that section 24 provides that the board shall receive in addition to their necessary expenses $10 per day each. Is it true that the Auditor General is one of the members of the board.

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Mr. Atkinson:

I would state that under the amendment to the constitution the Auditor General's salary is not limited, but the salaries of the other officers are limited. So the Legislature could pay the Auditor General extra, but could not pay the other officers.

Mr. Smith:

I will say that the objection that Mr. Atkinson has made that we could not allow compensation to those officers I had some doubt whether we could and I concluded I would have to take some advice and I consulted three, I think, as prominent attorneys as I could find (leaving out the chairman of the here) and they assured me that it could be arranged, that it would be proper under the constitution, so on that authority I drew the bill and not on my own understanding.

Mr. Bemis:

I would like to ask under the provisions of this bill introduced, if the expenses of the board in collecting the tax would come out of the tax so collected, or from the general fund.

Mr. Atkinson:

I would say to the Representative that this bill contemplates the payment of penalties and provides for the payment of five per cent per month for default, and provides for the payment of expenses out of the general fund. The expense would not come out of this particular fund, except so far as the general fund would be reimbursed by the penalties.

Mr. Gustin:

I notice in section 6 of this bill it refers to the rate of taxation, for the average rate of taxes in the State.

Under the provisions of this section upon what basis of average would a board of assessors determine that rate?

Mr. Atkinson:

Well, the proper way in my judgment to determine that rate would be to take the entire value of the property of the State as assessed by the Board of Equalization and ascertain the entire amount of taxes to be raised that year, State, county and municipal purposes, and divide the tax by the value of the property and you have the percentage or average rate in the State.

Mr. Gustin:

I thought likely that was the purpose of this section; but in reading over the section I hardly think that the data which is provided for determining the rate would be sufficient to give the board the necessary figures. It says that the board shall determine the rate of tax to be levied and collected upon such assessment, which rate shall be the same as the rate assessed for local purposes levied throughout the State during the previous year, not including special assessments, etc. Now, I understand there are many counties in the State and many townships where they do not return any delinquent taxes, consequently they would have no such data before the board. The delinquent tax list does not show the amount or valuation in any particular town, but simply shows the property upon which they have not paid their taxes. It seems to me that that was the intention of the introducer of this bill that the average rate should be determined by the total valuation of the township and that the return should be made from the original tax law as prepared by the Supervisors upon which there is given a total valuation, together with

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the total taxes. This is not on file in the Auditor General's office, but remains in the County Treasurer's office. They can obtain the necessary data from the County Treasurer's office and the rate of taxation should be determined not from the delinquent tax list, but from the original tax rolls of the various townships.

Mr. Atkinson:

Read the balance of the section and see if that does not answer the objection.

Mr. Gustin:

It says nothing in reference to the original tax or original assessment, but only such delinquent taxes as has been returned to the Auditor General. This does not give any authority to inquire into the original valuation or original tax, but simply the delinquent tax list. I don't see how they could determine any rate from this list, which is incomplete and does not contain the original tax.

Mr. Atkinson:

I would say to the gentlemen of the committee that section 6 was drawn by the Auditor General and the State Accountant. From them I received this statement that it would meet all the requirements. I am not quite familiar enough with those records myself to state whether that is so or not, but I took their word for it. They have a right to call upon any county or township officer in case there is anything that they would require. I would also call the attention of the committee to this state of things. You will remember that the boards of supervisors for each county equalize the rate at the end of their session, fixing the value of the entire property of the county. In addition to that the State Board of Equalization equalizes the taxes as between the counties once I think in five years. Now the aggregate of the values of the different counties as fixed by the supervisors is $818,000,000, but the State Board of Equalization places it a little over one thousand millions dollars, and the valuation that is given on the whole property of the State by the State Board of Equalization is on record in the Auditor General's office. The valuation as fixed by the board of supervisors is also in each county and in that way they can have the whole value of the property as assessed and equalized by the State Board of Equalization. And in that connection I might say that the State Board of Equalization is composed of almost the same set of officers when called upon to say whether or not the real estate and other property of the State has been properly assessed may raise or lower as they see fit, so that they practically reach the end they aim at by Mr. Smith's amendment, at least they try to. I am not familiar with the records sufficiently to say whether accurately or not but I do it on the authority of the Auditor General and the State Accountant and they pronounce it all right.

Mr. Lusk:

Along that line I would like to ask this question; under our present system of general taxation we have our local boards of review. Under the plan proposed by the bill we are considering there would be no redress after this tax had been fixed by the commission if the assessment is extraordinary or unreasonable what appeal would they have?

Mr. Atkinson:

The bill provides that any company being assessed may come before the board and be heard, but there is no appeal to any higher authority.

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Mr. Lusk:

Can they appeal to the courts?

Mr. Atkinson:

No more than anyone else can on his assessment. If anything wrong should be done by this board they could appeal to the courts. All the redress is left to them that any taxpayer has in the courts and no more. They are put on the same footing as others.

Mr. Gustin:

Under our present system of taxation I understand that the taxpayer has an appeal to the circuit court from the board of review of the township. If he appears there upon the fourth Monday in May and shows that he has been unjustly assessed, and they refuse to do justice to him, he has the right to appeal to the circuit court and have the matter rectified.

Mr. Atkinson:

Is there such a provision in our general tax law?

Mr. Gustin:

I think there is. I will try to refer to the section in just a moment.

Mr. Atkinson:

Turn to that while we are all here together. The tax laws are on almost every desk. I think it would cost more to have the judiciary pass upon it than the tax would amount to.

Mr. Clute:

I would like to ask this question: In ascertaining this rate would they take the equalization as found by the State Board of Equalization or the county? For instance, the assessment in our county is fixed by the board of supervisors at twenty-one million dollars, and as fixed by the State Board thirty million dollars. There would be different rates of taxation. The rate as fixed by the State board would be a different rate. It makes a difference in the per cent. Now, in finding just the average, would they have to use both of these equalizations jointly as equalized by the county board and the State board?

Mr. Atkinson:

That question I am not able to answer. The point was not in my mind when the Auditor General handed me this section; but that certainly is an important point to be considered before the bill is put upon its passage, whether they would take the value as equalized by the State board or the aggregate valuation as equalized by the board of supervisors. As I understand, at the present time, there is a difference in the two valuations of $200,000,000.

C. C. Phillips:

Returning to the matter regarding my bill until Mr. Gustin returns. Section 14 I have looked carefully over and I see no provision there for taxing anything except horses and wagons, which I am sure is all the property which the express companies have in this State. There is a provision that the valuation of the capital stock shall be considered, but just how the capital stock can have a value and a horse not I am unable to understand. It seems to me that we will be still confined to the taxes on property in this State. The gentleman from Grand Rapids and also from Genesee assure me that the only property the express companies have in those cities are a few horses and wagons that they use in carrying express from the depot to their places, which they run.

Mr. Chamberlain:

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I have been informed by one of these gentlemen that under the laws, as they now exist, they are not obliged to pay taxes at all except under the statute. That they submit to local taxation so the people may be satisfied. That they go to the assessing officer and request him to look over their property that they have, their horses, wagons and other appliances and place upon it a local tax. That they are paying taxes while claiming they are not obliged to. They are not obliged to do it under the law as it now is. That much is voluntary on the part of the express companies. Now, to return to my friend Gustin, I desire to have the gentlemen (Interrupted.)

Mr. C. C. Phillips:

I want to call the attention of the committee to this fact. Does this bill propose to levy any local taxes?

Mr. Atkinson:

This bill, I would state, would not tax horses at all. It provides in determining the property of companies in this State that they are to be taxed with in this State, as hereinafter provided.

Mr. C. C. Phillips:

It says "value of the property," in determining the property, value of what property?

Mr. Atkinson:

"Said board shall ascertain and assess the value of all property of express companies, telegraph and telephone companies doing business in this State at their true cash value. In determining the property of such companies to be taxed within this State and assessed as hereinafter provided. Said board shall be guided as to the value of such property as determined by the entire capital stock of such companies, and such other evidence as will enable said board to arrive at the true cash value of the entire property of such companies within this State in the proportion to which the same bears to the entire property as determined by the value of the capital stock thereof.

Mr. Phillips:

Does that mean that the capital stock shall be included as a part of the property of the company?

Mr. Atkinson:

Yes, sir. For instance, if the express company has a million dollars capital it is required by this act to return the par value of its stock, or the market value of its stock and if the stock is not on the market then their estimate of the value. Now they use a million dollars in doing business and two hundred thousand miles of railroad. Of that two hundred thousand miles of railroad, 7,500 miles are in Michigan. The same proportion of its capital stock is supposed to be used on this 7,500 miles that is used on the other miles of railroad in the United States. The proportion of the capital stock is taxed for the purpose of this bill. That is the Ohio law that has been approved by the Supreme Court.

Mr. C. C. Phillips:

The chairman does not intend to state that we are to tax the capital stock of the companies in Michigan when they are incroporated in another state and a stock owned in another state? Is that the provision of the bill?

Mr. Atkinson:

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That objection was made in the Supreme Court of the United States and held not to be good. That Court say that it is fair to presume that if they did business over a certain number of miles of road in a particular state that they have the proportionate amount of their capital engaged in business in this State for the purpose of taxation. That follows the Ohio act verbatim.

Mr. C. C. Phillips:

But, Mr. Chairman, this says nothing about the number of miles of road over which work is done, it simply says the actual property in the State. Now, miles of road are not property in the State, neither is capital stock property in the State. Now, if that express company should happen to have but one horse in the State (and I use that as an illustration) is it not a fact that they would under this bill assess that horse and that only?

Mr. Atkinson:

That horse would be exempt.

Mr. C. C. Phillips:

That is the point exactly. It looks to me as though you would have to get property that would not have to be exempt.

Mr. Atkinson:

But the capital that bought that horse would be taxed. We dont want to tax the capital and the horse, too.

Mr. Phillips:

I do not see how you are going to get at the capital, there is no provision in section 14.

Mr. Atkinson:

On page 4 you will notice that the company is required to report, under subdivision 7, the par value or market value or, if there be no market value, then the actual value of their stock on the first day of May, the number of miles in the United States and the number of miles in Michigan, so you have the exact mileage before you.

Mr. Chamberlain:

I think, perhaps I may have misunderstood my friend from Alpena, Mr. Gustin, but I understood the gentleman to say that there was an appeal from the board of review to the circuit court.

Mr. Gustin:

I so understand. I will bring this question up at another time.

Mr. Gillam:

I want to ask one question, it is this: I understand that the value of the railroad property in the State, in round numbers is $300,000,000. In 1895 the total taxes for all purposes levied by the State on real and personal property was in the neighborhood of $21,000,000. The average rate for that year was determined at 2 8-10 per cent. Now, if this average had been applied to the railroads upon their valuation it would have produced $8,400,000. I understand that the equalized value of the real and personal property in the State of Michigan is $1,105,000,000, and in my opinion it is several times that. I know positively (I do not guess at it) that in one section at least that the real and personal property is assessed at one-third to one-fifth of its actual value. I know also, that in the city of Detroit there is a piece of property that is looked upon as the most valuable in the city. It is the property where the Majestic building now stands and it is assessed as I understand it at $1,105,000. Good judges value that property, which includes 12 lots, at between $3,000,-

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000 and $4,000,000. So there is a case in the State of Michigan where real property is not assessed at its actual cash value. Now, if the railroads paid on the valuation of $300,000,000 at the same rate then the railroads would certainly be paying much more than they ought to. I ask the gentleman for some explanation of that matter.

Mr. Atkinson:

My own explanation upon that point is this: That I am a little astonished that the facts are as stated. As I understand the ordinary assessing officer is the supervisor elected by the people of the township and he takes the oath of office does he not? The statement of the member assumes that there is a perjurer in every township holding the office of supervisor. I suppose this board would probably be human like the supervisors and might not consider a million dollars worth of capital worth any such sum of money. They are required to assess it at its actual cash value. We know that railroad stocks are often inflated for certain purposes. But this board has to assess it at its true cash value. They follow exactly the language used by the supervisors. As far as the Majestic building is concerned I remember of that statement being made before and I will say that the party owning it has offered to sell it at the assessed value. Some real estate men had said it was worth $3,000,000 and he offered it as a speculation and said that he would take the assessed value for it and give them time to pay for it. As a matter of fact, property in the city of Detroit is, as a rule, assessed as full as much as it would bring for cash and in some cases more. I have a letter in my pocket from Byron M. Cutcheon of Grand Rapids in which he tells me that he is assessed in the city of Muskegon $250 each on a number of lots, which he has been trying for years to sell at $125 each and cannot get it. In the region along Lake Huron, East Tawas, Au Sable and Harrisville and in that region if they assess property at anything they over assess it.

Mr. Harris:

On page 4, subdivision 9 it says: "A full and correct inventory of the personal property including moneys and credits owned by the company in Michigan on the first day of May, where situate and the value thereof." The question that I wish to ask the Col. is this, under our present State law, that same section there gives them the additional privilege of stating their indebtedness also; giving them the right to offset their debts against their credits. Would it be fair to give everybody the rght to offset the debts and credits and not give the corporation the same privilege. Wouldn't you give to the railroad if they had debts and had moneys and credits, wouldn't you give them the same right to offset them that you would to the individuals. It would be fair.

Mr. Atkinson:

I would say in reference to that the part that the Representative reads is from the report that is to be made by the company.

Mr. Harris:

We have a State law that gives everybody the right to offset debts against credits. The law goes on and defines what moneys and credits are.

Mr. Atkinson:

If you apply that rule to a railroad company let us see what taxes you would get; say they had a hundred dollars in stock and a million dollars in bonds and they put the million dollars into their local build-

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ings, would you assess them only on the one hundred dollars or assess them on the value of the railroad.

Mr. Harris:

They ought to have the same right an individual has. This would be in conflict with that law.

Mr. Atkinson:

This report is precisely the one required by the Ohio statutes.

Mr. Harris:

They may not have the same provision in regard to offsetting debts against credits. That is the point that I wish to make.

Mr. Atkinson:

It is not the intention of this bill I will say frankly, to allow the railroad company to deduct their debts, because nearly all their property is represented by their debts. They build their roads on bonds and you would have nothing to tax if you deducted their debts, in fact the bonds are usually considered worth more than the roads cost.

Mr. Harris:

Moneys and credits are especially mentioned in that; in the State law moneys and credits are offset against the indebtedness, and what I claim is, you ought to give them the same right you give the others.

Mr. Atkinson:

Railroad indebtedness is represented practically by their bonds, but supposing a company is heavily in debt and it owes a large bonded debt, and it reports the market value of its stock; now, in the market the value of the stock is fixed by what it is worth, considering the indebtedness of the company. This report is precisely the one that was passed upon by the court and pronounced fair.

Mr. Harris:

The law of Ohio might be different than the law of this State.

Mr. Atkinson:

I do not think it is different; I think in fact they have precisely the same provision; but if you allow a railroad company to deduct their debts, you will have to pay them something instead of getting taxes.

Mr. Eikhoff:

It has occurred to me since the question asked by Representative Gillam that there is a possibility of placing this tax too high upon the railroads, because of the amount of the total tax of the State. It has occurred to me that if the railroads paid a tax, a larger proportion, which would go into our primry school fund, and as the fact is that all communities must contribute more money than the primary school funds supply to the respective communities, in that case, by the primary school fund becoming larger, wouldn't it reduce the amount of money that would have to be raised by taxation on the property as it is today, so as to make up the deficiency of the actual expenses, and the amount of money raised by the tax, as it is now for the primary schools; it seems to me in that case it would reduce the entire amount of taxes over the whole State and reduce the railroad tax in that proportion.

Mr. Atkinson:

That is intended to be the foundation of it.

Mr. F. M. Shepard:

I would like to read section 13, I do not quite understand about the power to tax these franchises as property. "The franchises of companies

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assessed under this act shall be considered property, and said board shall assess the franchises and other property of all railroad companies owning or operating railroads in this State at their true cash value, and in case any of said railroad companies own or operate railroads partly within and partly without this State, said board shall for the purpose of taxation, only assess said company for the fair proportion which its franchise and property in this State bears to its entire franchise and property." I would like to hear from the chairman about that.

Mr. Atkinson:

A franchise is not only property, but very valuable property. A franchise consists of the right given by the State to be a body corporate to do a certain business in the State, and it may by virtue of its franchise with only a small capital invested earn a very large amount of money. A franchise is like any other property, and subject to taxation, and that is a very important element in this bill. It would, in operation, work in this way: A company like the Michigan Central Railroad, or the Michigan Southern Railroad, having a very great earning capacity, would pay more than a company like the road running from Alpena towards the Straits. The franchise is, in other words, the earning capacity, separated from the physical property. A company earning three millions of dollars, its franchise would be more valuable than a company earning nothing above expenses. This bill would operate for the relief of the weak railroads and make the strong railroads pay their share, that would be the effect of a just valuation of their franchises. Some railroad, although it may cost a million dollars would not be valued by any honest board at a quarter of the price of another that cost a million of dollars in another place that might be earning more money, and which with the franchise might be worth five millions. The board is intended to use its judgment and assess each at what it is actually worth.

Mr. Savage:

I would like to ask the chairman, or rather the introducer of bill No. 1, whether in his judgment the taxable property in the State of Michigan outside of the corporate property is assessed at its cash value.

Mr. Atkinson:

I do not know. I know it is assessed by people who swear they so assess it, unless they have violated their oaths.

Mr. Savage:

There is one provision in this bill where the corporations are required and compelled to submit to valuation all their property under oath as appraised.

Mr. Atkinson:

No. I think there is such a provision as to their stock.

Mr. Savage:

I understand there is a mining company in this State which has sufficient property so I believe it would make a total valuation of corporation stock fifty-three millions of dollars; I am also informed that the valuation of that county according to the Board of Equalization of the State is forty-two millions of dollars; I also understand that there are several other mining companies in that county, several cities of from ten to fifteen or twenty thousand. The valuation of the county at forty-two millions, the stock of one company at fifty-three millions, and still it is said property is assessed at its cash value.

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I do not know whether my statement is correct or not, but I give it from information that I believe is true and from newspaper reading, if not, I should be pleased to be informed upon the subject.

Mr. Smith:

I rise to vindicate the State Board of Equalization. At the time that valuation was made by the State Board of Equalization, the value of that mine was only thirty millions, since that time it has increased twenty millions of dollars, and another thing is, they have one to two millions worth of property in New York State; another thing is they have eight to ten millions of dollars in Massachusetts that should be deducted. So you see, taking out thirty millions, twenty millions of it is in Michigan.

Mr. Clute:

It occurred to me since listening to Representative Gillam's statement of the assessing of taxes in his district and the counties he represents, that it is possible he might be mistaken in this thing. I should want for myself to have him bring the supervisor that represented his county before the State Board of Equalization, and if he will verify his statement, I will take it it is right. If that is the fact we want to know it in the southern part of the State, if that is the way they assess up there and the way they equalize.

Mr. Atkinson:

Is there any other gentleman who has anything to offer.

Mr. Chamberlain:

While we differ in opinion about the value of the property, the law of the State is, as I stated on the floor the other day in reply to my distinguished friend from Saginaw, the law makes it the duty of the assessing officer to assess it at its true cash value, and the remedy is not by an application to the Legislature, but an application to the proper forum in the proper way. These mistakes, however, if they are mistakes can be rectified. I do not suppose anybody insists for a moment that all the property in the State of Michigan is assessed at one hundred cents on the dollar. I am informed that the ward my distinguished friend lives in, the property there is assessed at twenty to thirty per cent of its cash value, and this is known to all the people, and they haven't said anything about it.

Mr. Savage:

I will say to the distinguished friend from Gogebic, we do not submit the value of our property under oath.

Mr. Atkinson:

That shows the difference between being sworn and not sworn.

Mr. C. C. Phillips:

In section 13, why does it mention specifically railroads only; why not mention all four of the companies which the bill professes to tax. Is there any special reason for not mentioning them all alike.

Mr. Atkinson:

There is a reason for that. If the members will bear with me, section 13 reads in this way (reads same.) Section 14 provides for the other class of companies, and assesses them upon the value of their stocks, which of course includes a franchise, but in railroads, they are not assesed on the value of their stock. They are assessed then at their true cash value. Now if you assessed upon all the stock and there were no bonds or anything in that stock representing anything, then you would

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have an assessment on the franchise, because in the rise in the price of stock you would get the price in the franchise.

Mr. Perry:

Does not the franchise of a railroad company bear about the same relation to its assessable property that a lease of a man's store building does to his business—his store business.

Mr. Atkinson:

I am not quite able to follow the—

Mr. Perry:

In other words is the franchise of a railroad company assessable property any more than a valuable lease that a man has acquired of his landlord—a long term lease?

Mr. Atkinson:

Not any more, but just as much.

Mr. Perry:

That is it. Doesn't it bear the same relation?

Mr. Atkinson:

In that sense it bears the same relation. If you had two pieces of property, one on Wall St. in New York 25 feet by 100 feet, although there is not a brick on it, it will rent for a great many thousand dollars a year, the same piece of property in Cheboygan, the same size, one that held the world together just as well, would prhaps rent for only $10 a year. Now the difference is really what would be called a franchise. That lot on Wall St. has an earning power that the lot in Cheboygan has not, and it would be assessed according to its earning power just as a lot would in Cheboygan. It is the earning power of the property and it is assessable. It is what the State cannot take away without paying compensation for. That is all there is in the charter, is its value and it cannot be taken away without compensation, but it may be taxed like other property.

Mr. Eikhoff:

I would like to ask the chairman what is meant by the word freeholder in the first section of the bill; what is the intent of that?

Mr. Atkinson:

My friend Mr. Gustin will explain what the word freeholder means; he is better able to from his books than I am.

Mr. Gustin:

I did not catch the chairman's question.

Mr. Atkinson:

The term freeholder Mr. Eikhoff asks to be defined.

Mr. Gustin:

Well I think the chairman is much more able to answer that question than I.

Mr. Atkinson:

Well, I understand a freeholder to be a person who has a life estate in land, or any greater estate. He would have to be a land owner—he would have to have either a life estate in the lease of the land or a greater estate.

Mr. Eikhoff:

Then I would like to ask whether in your opinion that would be constitutional, inasmuch as the constitution says that all persons shall be equal before the law? Then Mr. Chairman, if it is in order to debate

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that part of it, I have some objections to offer for this committee to consider so far as that word is concerned.

Mr. Atkinson:

What would be your objection?

Mr. Eikhoff:

Now, Mr. Chairman, I believe in the first place that the freeholder makes it possible to have a privileged class appointed to serve in this capacity as assessor, where, on the other hand, many people are taxpayers who own no land; and in many cases men own very little land and pay very small taxes, where in other interests there are large taxpayers and do not own any land.

Another objection I make is that I believe it is against the principle as established by the founders of this government—the framers of our constitution—national as well as in our State, I believe, intended that all people should be treated alike before the law. They do that for the reason that they have the power to enlist a man whose name is not on the tax roll, and they can send him to war, or preserve the peace in the State. If that is so, then I do not believe that it is fair to exclude any of that class that we must depend upon in case of a crisis, and I believe, and it is my opinion that it would be best for this committee not to establish the precedent by having one class of people subject to these duties; but make the duties general to all people of the State—all citizens of the State.

Mr. Prescott:

I do not think it possible for the committee to arrive at these conclusions, and so through sympathy for the chairman, I think it would be well to try some other plan—to appoint another meeting, and at that time have those opposed to the bill be present and those in favor, and speak. I do not think it would be possible for any man to answer all the questions that are put here tonight and I think we should appoint another meeting and then have some kind of order in our work.

Mr. Atkinson:

I may say that I appreciate very much what Senator Prescott has said. I had no idea of being compelled to talk all the evening on this bill but I desire to give the gentlemen who ask for information, anything that I have acquired.

Before Senator Blakeslee is heard from I want to call the attention of the members present to the petitions that lie before you. They contain the names of about 65,000 persons asking for the passage of a bill on these lines and which have been referred to my committee. Although they are not all freeholders, they are persons, and I simply call attention to them, because they are in the committee's hands, and I think it is due to them to do so.

Senator Blakeslee has the floor.

Mr. Blakeslee:

I simply rise to suggest that it would perhaps be a good way to proceed if we adjourn. The members seem to be quite wearied with the discussions tonight, and it would be agreeable to the Senate committee, if it would be agreeable to the House committee, to adjourn until next Tuesday evening at 7:30 o'clock. The Senate will probably adjourn tomorrow afternoon until next Monday. The caucuses for the spring election, I presume were held yesterday, and I presume the Senate will

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adjourn tomorrow afternoon until Monday evening, and it would be impossible for the Senate committee to meet with the House this week, as tomorrow morning there is a meeting of one of the Senate committees for the purpose of transacting matters pending there, and the Senate also meets tomorrow morning.

Mr. Atkinson:

When do you think these bills will be reported out?

Mr. Blakeslee:

It seems to me that through these discussions tonight that have taken place, considerable progress will be made if we take an adjournment to that time, to give the members an opportunity to study the bill, as they could not have done without this evening's meeting. It seems to me it would hurry matters by an adjournment. It takes time, Colonel, to digest these matters, and the questions presented here tonight will throw great light on the bill, and I believe that progress will be made by adjourning until that time.

Mr. Atkinson:

Is that motion supported?

Mr. Chamberlain:

Mr. Chairman, I was going to suggest that we adjourn. I move you that the secretary be requested to inform the parties from whom he has heard and who desire a hearing before this joint committee, and such other parties, whose names shall be handed in tomorrow and inform them what time this committee adjourns to, if they desire to be heard.

Mr. Prescott:

I would like to make it, to meet Monday night.

Mr. Blakeslee:

Only that would interfere with the meeting of the Senate. The Senate will adjourn, perhaps, until Monday evening, and then this committee would interfere.

Mr. Atkinson:

You understand we have a resolution in the House to go on with this matter, and we are expecting that possibly people will be here tomorrow to discuss it. We have passed a resolution to take it up immediately after the routine business tomorrow morning. The House will have nothing to do. How long shall we wait for gentlemen to come and address us?

Mr. Blakeslee:

It is not so much waiting for gentlemen to come and address us, as it is the fact that the members of these two bodies must understand what they are going to vote on, and it will be impossible for them to come to a just conclusion. The investigation of this question—a question that contains so much importance as it does, it seems to me should not be investigated with so much haste. The questions that have been presented here naturally will throw light on the question. I know it is the wish of the committee to meet the House and have the question discussed, and if we cannot do this, why the Senate committee will have to meet and the same grounds tracked over twice. It seems to me as though we could expedite that matter by adjourning until Tuesday evening. Perhaps we might meet Tuesday sometime—Tuesday morning—I think there will be no objection to that.

Mr. Prescott:

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I will withdraw that and make it Tuesday morning.

Mr. Atkinson:

Did I understand the motion to be to adjourn until Tuesday morning, and that the secretary notify all persons desiring to be heard, to be here at that time, at 10:30 say, Tuesday morning, and the House in the meantime take a recess for the purpose?

Mr. Blakeslee:

That will be satisfactory to us.

The motion to adjourn was carried unanimously.

Lansing, Friday, March 25, 1898.

Mr. Atkinson:

Gentlemen of the Committee: I have taken the liberty to ask Mr. Fred A. Baker, who has given probably as much attention to constitutional questions as any lawyer in the State, to address the committee this morning upon the bills pending before us. While I have had no consultation with Mr. Baker and don't know what his views may be, I thought that all the gentlemen of the committee might get a great deal of information from him, and I am sure he will be glad to answer any questions that any of us may propound to him.

Mr. Baker:

Mr. Chairman and Gentlemen of the Committee—No doubt all realize that the legislation pending before you is of the utmost importance to the people of this State. My connection with the subject arises from an invitation from Governor Pingree to attend here; and in response to his telegram I took quite a strong position against the appointment of a commission of investigation. That is, a commission to frame legislation for the Legislature; and I desire to elaborate that a little as I believe that the proper place to prepare legislation is in the Legislature. I do not believe that a commission that is not representative of the people, that is appointed immediately to represent the people is a proper body for work of this kind. They might gather a great deal of information, but past experience has shown that they are not very useful. You will remember the tax commission of 1882, who were awarded seats in the Legislature which passed the bill, and the next year or so the lawyers of the State were busy fighting that law and in the end was defeated. The members of the commission who participated in the debate were awarded seats upon the floor of the Legislature, and practically controlled the legislation. There was some way by which it was referred to the commission and a very important question arises as to whether or not it was an act of the Legislature, and your Supreme Court were equally divided on that question.

Experience in National affairs has shown that commissions that are made up to perform the functions of Congress are not satisfactory, not in the long run. While they might gather a great deal of information, the responsibility of any legislation, the responsible officers, are the Legisla-

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ture, or the members of Congress as the case may be; and it is a responsibility that rests with the members of the Legislature, and with the Governor in the exercise of his veto power, and does not rest on anybody else.

This is a matter that I do not think there is any occasion to have a commission for the purpose of giving you information in regard to the situation in this State. It is a general question and any intelligent man can reasonably inform himself in regard to it in a short time. Under the present system we collect taxes from railroad companies on a percentage of their gross earnings, and a certain amount of money is, I understand it, something less than a million dollars a year, is realized from railroad companies each year. I have no doubt that the proposition of Governor Pingree that these corporations do not pay a sufficient portion of the public burden as a proposition is substantially correct, and one that meets the approval of the people of this State.

Of course these railroads originally were infant companies; they were encouraged to come into this State, and it was of great benefit to the State to have railroads built. But conditions have changed largely. The people of the State are in a different position now than they were twenty-five, thirty or forty years ago. The burden of taxation rests a great deal heavier upon the people than one would naturally think. The effort of our farmers to get money enough every December to pay theeir taxes is something that we fully realize. It is so much special cash that is to be produced and paid into the township treasury, and it is a burden that they feel, it is a burden that rests upon them heavily under existing conditions; and while I do not desire in this discussion to put into it anything to the monetary question, whether a man is a gold man or a silver man, it must be realized in making payments that under existing conditions you have a burden that rests substantially quite as heavily upon farmers as it did fifteen to twenty years ago. Whether it is good policy to charge that up in your monetary system is something I do not care to bring in here, but anyone, no matter whether he is a gold man or silver man, must realize the fact that when you make a payment of taxes the burden is a heavier one compared with what it used to be.

Why it is so is not important here, but that it is so is beyond question. For that reason we find the people of the State irksome under a load of taxation, for that eason we find the people of this State disposed to inquire as to this burden and ascertain whether it is equitably levied under existing law.

The Michigan Central Railroad Company owns a very valuable property in the State, one of the most valuable properties in the world. Another very valuable property in the State that you know of, is the Calumet and Hecla Mines on Lake Superior. I don't know as anybody ever has called your attention to what taxes they pay to the people of this State, but there is a mine located in the State that pays enormous dividends and has for a good many years. I am unable to ascertain in the Auditor General's office what their taxes are, but I think that there is a notion throughout the whole State that there is a class of property in the State that does not pay its proper portion of the public burden. It is therefore a very proper thing for the Governor of the State to call you in special session to discuss and consideer this question, for the purpose of having them brought before the people at the ensuing election next November. It is one way by which we can adopt one of the best features of the present

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British system of government, i. e., submitting each question as it comes along; at the time it comes along and not wait two or three years until it has become dead and stale. We have a special session here to give this thing full discussion. The people of this State next November will know what they want done about it, and will express their opinions, and with that opinion we must all be satisfied.

The bill you have before you is a very simple one, and it does not make any very great changes in the existing system except in two directions. Instead of levying a percentage upon the gross earnings, it is proposed by this bill to levy a percentage that shall be the average of the local, county and State tax throughout the State. I do not know whether any of you have figured it out exactly or approximately what that percentage would be. But I judge from the figures given in the Governor's message that it would be something less—perhaps a little more—than three per cent. You have no way at the present time of ascertaining what valuation any board of assessors would place upon any railroad property in this State, so you have no accurate knowledge as to the amount of money this bill will produce, or the extent of the burden it would place upon the railroad companies. But these are the important things in the bill. They are its main features. I have heard it suggested, and I think I saw it in some of the newspapers, that this bill would put a tax on the railroad companies in this State of something like $5,000,000. I do not know how you figure it out or what the figures show, but I think that any sensible man will realize that if the railroad companies should pay $4,000,000 or $5,000,000 it certainly would be a very heavy burden upon them. That would depend, upon the valuation that would be given, of course.

Of course large properties, valuable properties would be valued at a high valuation, and properties that were not earning very much money, or perhaps not paying operating expenses would be valued at a low valuation. I see no difficulty with having a board of assessors to find out what the cash value of this property is and have the State levy a rate of taxation upon it. But you must remember, gentlemen, that this bill has got to go through the courts. It has got to be met and sustained in courts. I call your attention to this feature and ask you to consider it. This bill proposes to have a State Board of Assessors to find out what the average rate of taxation is. They are to do that by ascertaining what the rate is in each county, each village, each township and each city in the State and striking an average. Of course, that is a perfectly easy mathematical problem.

But you can see that the local taxes, county taxees and general State taxes that are not specific are levied for definite purposes. They are not levied with reference to any State burden except in the instance of the State taxes. As far as your county taxes, township, city and village taxes are concerned they are levied for village, township and county purposes. Our constitution provides that every law, which levies a tax shall distinctly set forth the tax, and the object to which it is to be applied. I call your attention to the question whether or not this law distinctly sates the tax.

It is fixed by the State Board of Assessors, but they do not determine it upon their own judgment, if they did, there would be a question whether or not the Legislature could turn over to a State board its own power of

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taxation—whether you could give the Board of Assessors power to determine how much taxes should be levied.

What the bill does is to provide that the State board shall ascertain a certain fact and that is what the local rate—average rate—of other taxes are in the State. They are to ascertain that from the taxes that are actually levied the preceding year. Of course, they have no discretion about it, they are simply to ascertain that rate. As I said, that rate depends upon the action of the local bodies when they levy their local taxes. They do not levy their tax with reference to any State burden or anything of the kind, it is simply a tax for their own burdens, and for that reason it seems to me to be better for the Legislature to obtain control of this rate in some way. You will have your Board of Assessors, you can ascertain what the cash value is and they can make a return, which will come up before the next session of the Legislature and then the Legislature could determine just what the rate of taxation should be for the ensuing year. You can do that at each legislative session for the ensuing two years, and that would be the action of the Legislature, and you will then have accurate knowledge of the amount of taxes and you could take into consideration, of course, the ability of the companies to pay.

And again whether they ought to put it or nor to the needs of the State fund to which this tax is to be devoted. In regard to the valuation, that is perfectly proper to leave to a Board of Assessors. Some question has arisen here whether or not you should have them appointed by the Governor or by the Governor with consent of the Senate, or should elect them, or whether certain State officers should act as members of the board. That is a matter of detail largely. In my judgment, from little experience I have had in the State I should not be in favor of having the State officers do it, or having a board appointed by the Governor confirmed by the Senate, but elected by the people of the State. You could provide for a provisional appointment by the Governor and the appointment could be made by the Governor with a provision in the law that at the next election next fall three or five men, whatever number you should establish, be elected on the ticket with our presidential electors and State officers. Some question has arisen as to whether we could do that, but there is no question but that it could be done under the constitution of the State.

Mr. Chamberlain:

At the time we elect State officers?

Mr. Baker:

Yes, sir; I think we have one board of officers of that kind, but I am not sure about that. There is no reason why you cannot do that. Our constitution is of that character that we elect everybody in Michigan and you can safely leave it to the people. Some question of policy has arisen here as to the character of this board. Now it seems to me whether you belong to Mr. Pingree's faction of the Republican party or the other faction that you could leave this appointment to be made by the Governor for the reason that he undoubtedly represents the public sentiment of the State that something should be done in regard to this. The men, who make the preliminary investigations should be fearless men, men who would inquire fully under the powers that you give them under this bill and find out what the railroad property of this State is worth. That would

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be their preliminary and first duty to find out for what this property should be assessed and how they should value it.

They are authorized by this bill to subpoena witnesses and find out what the taxes are—what the truth is—in regard to their earnings and their capacity, and to the way in which their business is transacted; and in that way they would perform a valuable public service for the people of this State.

You can pass this bill and have them do this work this summer. You can have the people elect a regular board in the fall, to take office the first of January. And then the Legislature in my judgment, would be in a way to determine what the rate of tax should be, so that you would be sure that you would not do any harm and that you would be perfectly just and fair to every interest.

Some people of this State have an idea that the people of this State cannot be trusted in such a matter; they have got the idea that if you leave it to the people of this State, that they would absolutely rob and bankrupt all the corportions in the State. Now I do not look at the people of this State in that way. I have repeatedly said that the corporate interests, and the moneyed interests of this State could safely leave their interests in the charge of the people, if they would have a little more confidence in the people.

Some twenty years ago I was a member of the House of Representatives, and I have repeatedly said publicly and privately, that the fairest body I was ever before was the Michigan House of Representatives of 1877; at any rate, any proposition that involved a question of right or wrong, or of good, sound sense and good policy, was fairly and intelligently considered by that body, and I have no doubt it is so now, when you appeal to their intelligence and to their sense of justice; and I think it is so in regard to the people of this State—that we can rely upon their doing the right thing and the fair thing and that we would proceed to annihilate all the railroad corporations in this State by excessive taxation, is absurd. The people never would do it—they never would reach any such conclusion; and all you have got to do is to give them a chance to express their opinion according to the forms of the constitution, and justice will be done to every interest, in my opinion.

I allude to this because that has a bearing upon the Michigan Central charter. That is a charter which was granted in 1846, in which liberal concessions were given to the company for the purpose of having the company take the road off from the hands of the State—to construct it, and operate a proper railroad through this State to Chicago.

The two important things in that charter to the company are the rates of taxation and the rates of freight and fare.

Under the Dartmouth College decision in the Supreme Court of the United States, the full scope undoubtedly—the full result there was not contemplated or understood by the court when it was rendered. The Supreme Court of the United States has invariably—and there must be 25 or 30, and I don't know but more, decisions—where they have held that the agreement in regard to taxation is a part of the contract and is invariably accepted as may be provided by the contract or charter.

I had supposed that the Michigan Central railroad had, under the Act of 1893, in some way brought itself under the general railroad law, but

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upon examination of that act I find that that act was passed as an amendment to the charter—accepted by the company as an amendment of the charter—and is a distinct recognition by the Legislature of this State, by the State itself, of the fact that that charter is in existence. You can go and read it.

While the rate is the same as the rate passed in 1893, for the taxes, the provisions are not identical. There is a method of adjustment by arbitration, and it is not altogether like the general railroad laws.

So it will be a question for you to consider whether or not the richest and most powerful corporation in this State is within this bill—and I am frank to say I have no money of the Michigan Central Railroad Company's and never had—that in my judgment you do not reach the Michigan Central with this bill; and perhaps that explains the reason that they are not here. They are relying upon the protection of that charter, and they will contest the validity of this law so far as it undertakes to interfere with their rate of taxation. And for my part Col. Atkinson may have found some way out of it, but for my part I see no answer to their contention, so far as the rate of taxation is concerned.

Upon the question of rates, another question arises, somewhat of the same character, but the question, where the decisions of the Supreme Court of the United States are not as conclusive—I refer to the matter of rates and fare.

The Michigan Central charter fixed the rates—I believe the rate for passengers—not exceeding 3 cents a mile. The question arises whether that limitation was put in that charter as a part of the contract, or as an exercise by the State of its police power, as it is called in the constitutional law. If it was put in there as a mere regulation, a second regulation in the same general character, or at least existing under the same power as a regulation going to the safety of passengers or of people upon railway crossings, then it would not be considered as a part of the contract, and it would be safe to extend it by the Legislature. If, on the other hand, it is regarded as a part of the contract, then it would stand precisely where I say the Supreme Court of the United States has left the matter of taxation.

There are some intimations in the decision of the Supreme Court of the United States which indicate that they take the latter view of it; but they are mere dictum and intimation. I have not been able to find, or to have pointed out to me any case where they actually decided it, where they take the question up and disposed of it; although it is a question, in my judgment, that is open to discussion.

If the Dartmouth College case was up for the first time now, I have no doubt the Supreme Court of the United States would reach this conclusion: that as far as the power of taxation is concerned the State has no power to contract away than it would its power to exist. The power of taxation is the greatest power that the State has to protect itself and maintain itself, and for the most obvious and strongest of reasons. It would be perfectly correct to say that no Legislature had the right to contract away the power of the State to levy taxes for its own support and maintenance. If it was a new question—an open question—I think they would reach that conclusion. They did reach a somewhat similar conclusion in the Lake Front cases in Chicago, where they held that the State of Illinois had no power to grant a title and to do away with its

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power over its—riparian power, so to speak—over the waters in front of the city of Chicago in Lake Michigan.

But, as I said before, upon the question of taxation they are bound by decision after decision, and have never showed any disposition to change it. It is so in a case that Judge Donovan decided in the Wayne circuit a few weeks ago. It is a case that will be carried from the Wayne circuit to the Supreme Court and if the Supreme Court sustains Judge Donovan's decision it will put the case in a position to go to the Supreme Court of the United States. But that is not involved in the legislation that is pending before you now, except as it may have some bearing upon your treatment of the Michigan Central charter.

All of the railroads in the State, with the possible exception of the Detroit & Milwaukeee, are now, as I understand it, under the general railroad law. They are subject to the power of the people of this State to levy taxes against them—they are subject to the power of the people of this State to amend, alter, or repeal the general laws under which they are incorporated and exist.

But if the Michigan Central, which is the great railroad corporation of the State, is protected, you will always have an argument aaginst putting these other roads at a disadvantage as compered with the Michigan Central. And it is impossible, in my judgment, to have really intelligent and just railroad legislation in this State as long as that charter exists.

In framing the constitution of 1846, having in mind what had been established by the Supreme Court of the United States in the Dartmouth College case, and following a suggestion of Justice Story of the Supreme Court of the United States, they provide that thereafter—that is after the constitution of 1850 was adopted—no such special act of incorporation should be passed by which the hands of the State would be tied up.

In order to prevent any extension or enlargement of prior charters, they expressly provide in that constitution that no amendment should be adopted by the Legislature without a two-thirds vote, indicating a plain policy to confine the special charters of the State to their then limitation, and not to submit to any extension or amendment unless it was approved by a two-thirds vote in each House of the Legislature.

Now, in 1893, as I say, they amended this charter so as to change the rate of taxation. I do not suppose the Legislature of 1893 knew exactly what they were doing, because it is proven by subsequent events that the Michigan Central railroad in the last few years, or since that act was passed has saved between forty and fifty thousand dollars a year.

Whether they lobbied it through to secure its passage I do not know. They were perfectly willing to reap the fruits of it at any rate.

While this charter of the Michigan Central Railroad Company is inviolable under the Dartmouth College decision in one sense or in another sense, it is not because the Legislature that passed it in 1846 provided that it could be amendeed, altered or repealed.

Upon making compensation to the railroad company without defining especially what that compensation should be.

That act also provides that the Legislature of this State can repurchase the road upon a valuation prescribed and fixed in the act, it being the average rate at which the stock has sold for the last year or so, I think in the New York and Boston markets, and you have power to repeal that charter, and in my judgment it ought to be done for the pur-

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pose of putting the entire railroad interests of the State upon the same footing and upon that same basis so that they cannot shield themselves or shield the other railroad companies, perhaps with that charter, because in my judgment the people of this State should retain all of their power to levy taxes and to control these interests.

The serious question, of course, would arise as to what compensation they may be entitled to. I think I drafted or outlined an act in 1877, or at some session of the Legislature, at the request of some member in which I provided for the repeal of the charter and authorized the railroad company to commence a suit in any county of the State through which the road runs and to have a jury impanneled, and a trial in a court to ascertain what compensation they would be entitled to, subject of course to a review by the Supreme Court of the State, and if need be, if any federal question arose, subject to review by the Supreme Court of the United States. Any such legislation should also be accompanied with the proposition authorizing the proper State officers to issue whatever bonds might be necessary to pay the award that was finally reached. In that way, you would get rid of the Michigan Central charter, and you would put the people of this State where the framers of the constitution of 1850 desired to put them. Some people may argue that they would get very extravagant damages, that they would get exorbitant damages, because of the possibility that the people of this State would simply tax them out of existence and absolutely ruin the property. I do not think there is any court in the country that would award damages upon any such theory; they would assume that the people of the State of Michigan were honest, that the Legislature of the State was honest and that they would do what was fair and reasonable, that if anyone proposed to do an outrageous thing that it would meet defeat sooner or later in the councils of the State, and that we could rely upon the people of this State doing justice, because in the end, that is just exactly what they would do. There might be it is true a period where they would go to some excessive action, but that would correct itself and correct itself very speedily, it must necessarily be so if our popular institutions are what we claim them to be; it must necessarily be so as long as we have an intelligent and an industrious people. Michigan is remarkably conservative in all these matters; her people are conservative, and it does seem to me that if any eastern influence, or any foreign influence desires to own property in this State they ought to be willing to take the same chance that we all have to run with you gentlemen of the Legislature; that there is no reason why the owners of the Michigan Central railroad or any other railroad in this State should not come to this Legislature as every citizen and property owner of the State is compelled to come in order to secure a just tax and a just system of tax law. There is no reason why it should be hemmed in and about by special privileges and exemptions, and while we acknowledge our indebtedness to them for what they have done in the past, we are not willing to admit that they shall maintain a position that is antagonistic to the general interest of the people of this State, and in which they practically hold, to some extent at least, the people of this State by the throat.

I therefore am in favor of just such an agitation as you have got on here; I am in favor of having this thing fully investigated and understood by the people of this State, and I believe that if it is carefully examined

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and understood that if you do not repeal this charter it will be repealed at some not very far distant future, because there is no reason why this charter should exist and be used as a weapon against the State and against the other railroads of the State.

I saw the suggestion last evening that the weaker roads, the roads organized under the general railroad law of this State were throwing the burden of this fight upon the Michigan Central. Well, a more absurd statement could not be made. The Michigan Central under its charter as I understand it to be, and as I think most people understand it to be, are independent until you get at them with a repeal. They are not here exerting their influence to defeat this bill, they are simply relying upon that charter; they say that under that charter this bill will not affect them, and of course from a mere business interest they would not object if you "swiped" every other railroad company in the State; possibly it would put them in position where they could acquire more of them and absorb more of the railroad property. So, this is something that you should look at, and you must remember that this is serious business, it is no boy's play. It is something that involves the future prosperity of the people who live in this State, it involves the question whether the people of this State will preserve to themselves as far as possible the sovereign power of the State and deal with their interests in the State as justice, equity, good sense and honesty require.

This problem of taxation is a serious question, and while we may say that it does not amount to much, that the people generally can pay their taxes, or manage to pay their taxes, we do not always realize the extent of the burden. You must remember in this connection that the Federal taxes are levied, not upon the property of the country, not upon the wealth of the country, but rather levied upon the consumption of goods by the people, and a man who does not consume a great deal of goods, either of the necessaries or luxuries of life, although he may be immensely wealthy, under our Federal system of taxation he only pays about as much as the poorest man in the community; that is the system of Federal taxation. I do not desire to obtrude any tariff question into this discussion, but simply to call your attention to the fact that the tariff is not a tax that is levied in that way, that it is not levied upon the property of the country or the wealth of the country, but it is levied upon the consumption of goods. Both the tariff tax, and to a very great extent at least the internal revenue tax, which is largely levied upon the consumption of beer, intoxicating liquors and cigars. That must be taken into consideration, and I do not think there is any thoughtful man who has paid any attention to the subject but what is alarmed at the existence in this country of a large amount of wealth that does not pay any taxes and does not propose to if there is any possible way of getting out of it. Every man who can who is able to puts his property in such shape, if he has accumulated considerable wealth he can put his property in that shape, and he puts it in shape so that the tax collector cannot or does not reach him. and therefore thousands of men living in our cities—especially in cities like New York, Boston and Philadelphia, who have large means but do not pay a cent's taxes from one end of the year to the other, and do not intend to if it is possible to escape it.

So we must heartily agree with the Governor of this State, who is willing to face these questions, who is willing to submit them to the

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people, but of course in doing it, do it intelligently, do it justly, do it according to the constitution, and from principles of right, and what I would especially recommend at the present time is that you repeal that charter, providing for compensation at the same time you pass this bill, providing for a valuation of their property; find out what they report the value to be and leave the rate to be fixed by the Legislature next year. It is only a short time; or, fix it now, if you want to. Allow the taxes to be paid this year under the Merriman bill—no taxes have yet been paid under it as I understand it, it could be paid this year under the Merriman bill. If you see fit, fix the rate now, if you think you can do it intelligently. But how are you going to know how much taxes you are going to levy? The Michigan Central now pays a tax of something less than two hundred thousand dollars. I do not know the exact figures.

Mr. Atkinson:

One hundred forty-two thousand dollars.

Mr. Baker:

Suppose the assessors would value the property at fifty millions, which is approximately I think in round numbers what the company claims the road cost—whether it could be duplicated for that is a serious question. In one sense, in a general sort of sense, that property may be considered worth a hundred millions of dollars. Suppose you assess it at fifty millions, and you put a tax of three per cent upon it, you would collect a million and a half of dollars where you now collect less than two hundred thousand—yes, less than one hundred and fifty thousand, and of course the difference startles a man. If you went through all the railroads in the State in the same way, why, it is possible you would bankrupt the most of them. The Michigan Central could borrow all the money it needed to pay its taxes, you could not bankrupt it. There are many small roads in this State that are on the verge of bankruptcy and have been during all the hard times; they are poor because the people are poor and cannot patronize the road.

These are things that deserve serious consideration. No matter how much reform you want to accomplish, it should be tempered with justice and you should be careful that you do not overdo it and go too far, because as certain as anything can be, a revolt would come and you would not accomplish anything. So, pursue the moderate course, find out what this property, by your Board of Assessors, is worth; let them pay taxes under the Merriman bill this year and when the Legislature meets next year and you have these valuations before you, fix a rate, and fix it yourselves, fix it for two years and let the Legislature two years afterwards fix another rate, so that the people of the State will have their hands on the lever all the time; so the stockholders of the Michigan Central Railroad and every other railroad in the State will recognize the fact that they, if they desire to do business here, but treat with the people of Michigan, and that they must exist here and can only exist here subject to the will of its people, and in that way preserve your power and preserve it for the protection of the people of this State.

Thanking you for this hearing, I submit these remarks for your consideration.

Mr. Dudley:

I would like to ask Mr. Baker one question, and that is this: If in his judgment any action on the part of this special session of the Legislature called by our esteemed Governor would be constitutional?

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Mr. Baker:

If anything involved in this bill would be constitutional, is that the question?

Mr. Dudley:

Any action involving a repeal of the Michigan Central charter.

Mr. Baker:

No, sir. In my judgment a repeal passed by this session would be unconstitutional unless the Governor submits the question to you by a message, that is my impression.

While the Michigan Central charter is involved in it, I do not think it is so directly involved as to be within your jurisdiction unless the Governor calls attention to it.

Another member asked me, what is meant by taxation of franchises and how valued. There is a provision in this law that provides that franchises shall be taxed, and that is practicably involved in the provision providing for the taxation of the property.

The Michigan Central Railroad or any other railroad in the State is simply a strip of land running through the State devoted to railroad purposes; it is not worth a dollar except as you might sell it off into lots or for other purposes. It is mere land, unless the parties who own it have a franchise to operate a railroad. In estimating the value of the property, you would necessarily take into consideration that franchise, and I suppose the object of the bill is simply to show it was intended to include the whole property as it is; the property is there, the station houses, the rolling stock, the right of way, and of course the franchise separate from that property is of no value, connected with the property it is of value, and the question would be, what is the cash value of one of these railroads existing as it does. Of course, any general sort of way that could be ascertained. It could be ascertained by a board of assessors. One way it could be ascertained would be to know what the stock sells for in the market. There is about eighteen millions of stock that is subject to all the bonds and mortgages that are outstanding against the road, and in a general way the amount of the existing indebtedness and the stock would represent the value of the property.

Mr. Davis:

If a company acquires an electric franchise to build an electric road through the country, before that road is built, or there is any money put into the construction of the road under this bill, in your opinion could that fanchise be assessed?

Mr. Baker:

No. An electric railway where they have got a grant but have not built a road would not be a tangible piece of property that would amount to anything. A railroad under this bill should be a railroad in point of fact. When you build a railroad you would consider the franchise. Of course, an electric franchise might be made valuable. You can get them all over Michigan, they will give them to you in every direction, but that is where the shoe pinches, the shoe pinches to get the railroad, and the franchise is not very valuable unless the railroad is built and that railroad proves a paying investment. I have no doubt there will be many electric railroads built in this State that will never pay, or will not pay in many years, but some will, and will be very good properties, because they are built and the franchise was reasonably fair to the companies.

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Mr. Bates:

I understood you to say you thought the better way would be to do this business by a commission which should be elected.

Mr. Baker:

The board of assessors I should elect.

Mr. Bates:

Under the present law, as I understand it, the present taxes are fixed by a board composed of the Auditor General, the State Treasurer and the Commissioner of the Land Office. Now, they are elected every two years; that goes to the people; what would be the improvement by having a separate commission of three or five more officers elected over our present condition?

Mr. Baker:

I do not understand the first part of your question.

Mr. C. C. Phillips:

Before we leave this question of franchises, if Mr. Bates will hold his question, I would like to ask a question. Have we a right in this State to tax a franchise given in another State? For instance, in the matter of express companies incorporated in another State, have we a right to consider the franchise of that company in taxing the visible property in this State?

Mr. Baker:

You would not consider the franchises of other states. No corporation can do business in this State without the permission of this State, no foreign corporation, unless they are engaged in inter-state commerce in some way, so you could not reach them. The corporate existence has to be the right they get from the people of the State of Michigan. What you would tax of those express companies and other companies would be the property that they have in this State.

Mr. Phillips:

In taxing that property would you have any right to consider the franchise that they hold?

Mr. Baker:

No, not directly. You could not levy a tax upon a franchise granted to an express company by the State of New York, but you would levy a tax upon the property of the express company and its business in this State, and in fixing the value of that, you would take into consideration the general situation of the property.

Mr. Perry:

I would like to ask the gentleman a question. As I understand section 13 of this bill it provides for an assessment of the franchise and also of the property of the road. Now, would it in your judgment be constitutional to assess and tax the franchise of the road and also the property of the road? Of course, it would be perfectly proper to consider the value of the franchise in fixing the value of the property. Can it be assessed separately from the property as that section provides?

Mr. Baker:

I would not want to say it could not be, but I do not think it would be under this bill. All it says is, "The franchise of companies assessed under this act shall be considered property." It it a part of their property, and you would consider their franchise, their franchise to collect tolls and to do business in connection with the property. There is no difficulty

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about that part of it at all. You would assess the Michigan Central Railroad at so many millions of dollars, franchise and all. It is proper and would be considered all one piece of property.

Mr. Bates inquires whether it would not be just as well to use the State officers for this Board, who have power over some of these specific taxes. They have that power, but not over all of them; most of the specific taxes are fixed by the Legislature, in the law on a certain percentage of gross receipts, and the State board you refer to has some duties connected with some of these other corporations. I am not familiar with them.

Mr. Atkinson:

It fixes the rate on telephone and telegraph companies.

Mr. Baker:

There is no objection to your using a number of your State officers. Of course they are used in a variety of boards; you have the State Canvassing Board made up of them, and there are some other State boards that are made up of State officers, but this is an important business that these officers will perform for you, and in my judgment the attention of the people of the State in the election should be directed to the class of men that they need for these offices. The State officers get a very small salary under the existing constitution, they have large duties to perform, they have got enough to do, and in my judgment it is a mere matter of policy, a mere question which would be the best. My judgment would be if you had a board elected by the people whose only duty was to make these assessments and make a report to the Legislature, you would have a better body and they would not be confounded with the duties of the Auditor General or with any other officer, or the State Treasurer, and their other functions, and the people would have a direct way of selecting the men that they desired should occupy these positions, but as a mere matter of detail and policy, I should be more favorable to that than using the State officers.

Mr. Atkinson:

Wouldn't it be far better policy to allow these officers to be appointed by the Governor who is elected, and to make the board non-partisan?

Mr. Baker:

I haven't much confidence in a non-partisan board myself. I think as I said before, the present Governor of this State could appoint the first board, so the people of the State would be sure that the men who were on that board would make this preliminary investigation, that is where the important work is to be done, and in making the preliminary investigation, they would not make it in the interests of the railroad companies, and I am inclined to think when you come to your non-partisan board that would be appointed by the Governor, that as a general rule that is where they would get in their work.

Mr. Atkinson:

In what way?

Mr. Baker:

I don't know exactly how they do it, but I think they have had at any rate more influence than they ought to have at times; at the same time I make no charges. But that would be one of the ways in which the people would not be consulted directly, and I think if you had a preliminary board appointed by the present Governor to make the first investigation, you could rest assured that the people in electing the board would elect

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such a board as would in the long run perform the services better than even the Governor, and I put it upon this general proposition, which is simply the result of my own observation, I think the most typical thing in America today, whether a National or State government, is the mere voluntary assemblages of the people at which they express their political desires and tendencies and what they want to accomplish. At any rate, they are representers of our people. They represent the people when they act voluntarily, without regard to law or anything else. Of course, there are all sorts of offenses connected with getting delegates, but when they get together they represent us as no one else in this country does.

Mr. Atkinson:

Don't you think they would get at least half rates if they would nominate these commissions?

Mr. Baker:

I will tell you what I think about that: You can criticize either system. I feel about that as I do about the appointment of United States Senators; while I have undoubted confidence in the integrity of the average Michigan legislator, I would rather trust the people of this State to elect a United States Senator than any other body of men, because in the general scramble and jostle that you would get up before the people, they would produce a better man than can be produced the other way, at any rate they would represent the people of Michigan and no one else.

Mr. Sawyer:

If we are to go along the line that everybody who is to be elected or appointed is to be purchased and bought by railroads, wouldn't it be much easier for the purchasing power to purchase one man than it would half a dozen?

Mr. Baker:

As a general proposition it costs more to satisfy a large number of men, but sometimes they are very cheap, you know.

Mr. Saywer:

As a general proposition then, wouldn't it be safer to let the railroads attempt to buy the entire people than to buy any one individual, however high his position?

Mr. Baker:

As I said. in my judgment you can trust the people with more safety than anybody else; in the long run the people will be right; they may make great mistakes, but they will land on their feet every time. I believe a constituency such as we have in Michigan you can trust to them implicitly.

Mr. Sawyer:

I would like to ask the gentleman another question.

Mr. Atkinson:

The gentleman from Washtenaw will be permitted to if it is something germain to the question we are now considering and is not directed to any one person.

Mr. Sawyer:

I think my friend from Wayne is more delicate upon that subject than he need be. No man can seemingly breathe now without designing to offend my distinguished friend. This was the question I was going to ask: Whether or not I understood you to mean that you thought it

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would be wise for this Legislature to appoint a commission to report to the next Legislature upon the subject of how much railroads should be taxed and inventorying their property?

Mr. Baker:

No, sir; I did not express myself that way. I do not believe in your commissions just to go and investigate this subject and gather a lot of facts and throw them into the next Legislature. I have expressed a decided opinion against that. Appoint this commission under this bill or another one like it to find out what they would assess this property at, that is what the people of the State want to know.

Mr. Sawyer:

That is my understanding of your position.

Mr. Baker:

What this property is worth, what four or five reasonable men will say it is worth, and then the people will decide what rate of taxes they will pay. I should let them collect under the Merriman law this year. Appoint your commission and let the next Legislature fix the rate.

Mr. Atkinson:

On that point can you conceive of any information that the next Legislature would have beyond what we would have?

Mr. Baker:

Yes, sir. The next Legislature on this report coming in would know what tax you were going to raise; you would have that report.

Mr. Atkinson:

They would know the value of the property, but would they know anything more about the rate, how to spread the rate?

Mr. Baker:

Yes, sir; I think the result you are going to accomplish will have a great bearing upon the rate.

Mr. Atkinson:

Would your idea be this: If the railroad companies were assessed say at two hundred millions, that ought to make the rate lower than the average rate?

Mr. Baker:

I will tell the Colonel and gentlemen present, of course they ought to pay the same taxes that other people pay, but you must remember this that they have been built up under a system that gave them greater concessions. It seems to me that it would be acting blindly without knowing what your assessors are going to assess them at; without knowing whether they were going to get two millions, five millions or ten millions, that is the thing that bothers me.

Mr. Atkinson:

Then you would leave the question open for every Legislature, that they might come in and say that they could only afford to pay so much?

Mr. Baker:

That is open to every interest in the State. It would put it within the same rule as everyone else. That is, if people are bearing more taxes than they ought to they can come here and complain about it.

Mr. Sawyer:

One question, if I am permitted.

Mr. Atkinson:

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If you will pardon me, Mr. Sawyer, the committee desire to ask some questions, that is immediately upon this subject.

Mr. Sawyer:

I think it is a question exactly in line, it is simply to ask a simple question.

Mr. Atkinson:

If you will please wait a moment until we are through with this question under investigation. I desire to be entirely courteous to every gentleman here, but this committee is trying to do some work. While I hope Mr. Sawyer will ask his questions, we now want to get some information in regard to this bill, and we will be drifting off to another subject.

Mr. Sawyer:

It is entirely upon this bill I was going to ask the question, in relation to this very bill.

Mr. Atkinson:

Well, if it is good it will keep. I desire to ask this question for the benefit of the committee, assuming that we have the power to tax the Michigan Central is this bill in its present form broad enough to do it?

Mr. Baker:

I doubt that. It is a bill to provide for the assessment of railroad prop-property, and you have a provision here that it shall apply to special charters, and whether that is within the title would be something of a question, that is, whether it would repeal its charter, either directly or indirectly. Haven't you got to say something about it in the title of the act?

Mr. Atkinson:

That is something I want to ask for the information of the committee.

Mr. Baker:

You know, Colonel, before the Supreme Court how these matters of title are disposed of. It goes on the judgment and discretion of the court largely, and it is hard to lay down any rule in regard to it. That is, you cannot safely advise one way or the other. I think they would be apt to hold the charter of the Michigan Central is not Federal.

Mr. Atkinson:

Then you would suggest that the title be amended?

Mr. Baker:

No, what I would suggest is, that if you pass this bill and want it to apply to the Michigan Central railroad, it would be better for that purpose to amend the charter.

Mr. Phillips:

That would take a two-thirds vote.

Mr. Atkinson:

Assuming that we have a majority of the Legislature and the Michigan Central is now within our taxing power, then is it subject to the bill just as it is?

Mr. Baker:

Yes.

Mr. Phillips:

Without any amendment to the title, with no repealing clause to the title, just as it is. Have we the power to reach them?

Mr. Baker:

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This bill would reach them.

Mr. Dudley:

In this form? In your judgment would the passage of the bill under consideration repeal the part of the Michigan Central charter which refers to taxes without special message from the Governor?

Mr. Baker:

I don't think it would. As Colonel Atkinson puts the question, it assumes the charter would cut no figure. If it does not, this bill is all sufficient; but supposing the charter does cut a figure, which is my opinion, then I don't think you reach it with this bill.

Mr. Atkinson:

Mr. Dudley's question I understand it is this: The Governor's proclamation includes taxing railroad companies, would it tax the Michigan Central and repeal the other charter so far as the taxation is concerned? Will it come within that proposition?

Mr. Baker:

I think it would. That is, if you limit it, if you just pass a bill amending the section of the other charter referring to taxes, and put them under this law, that would come within the proclamation of the Governor.

Mr. Dudley:

Does it repeal the law now?

Mr. Baker:

I don't think it does. The question is whether the charter is of any consequence, whether it is in your way or not?

Mr. Atkinson:

What I would like to know for the benefit of the committee is, whether that language is wide enough to reach them providing we have power to do so?

Mr. Baker:

Of course if the subject of general legislation, it does reach them.

Mr. Atkinson:

The language itself is wide enough?

Mr. Baker:

Yes, if subject of general legislation it does reach them.

Mr. Atkinson:

That is if we have the power then this would do?

Mr. Baker:

Yes.

Mr. Atkinson:

Now, is there any question from any of the committee? If not, will Mr. Sawyer now ask the question that he had in his mind?

Mr. Sawyer:

I think I will be silent with the castigation I received.

Mr. Baker:

Brother Sawyer, I will answer any question you have to propound.

Mr. Sawyer:

I have no further question.

Mr. Atkinson:

I hope that his question, if it would be of any value to the House or committee, will be asked, and that you will not feel annoyed, but ask it.

Mr. Phillips:

I would like to ask a question.

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Mr. Atkinson:

While Mr. Phillips is asking his question consider yours, Mr. Sawyer, briefly, and I hope you will ask it.

Mr. Sawyer:

I do not care to stand here as a member of this House and be insulted every time I rise to my feet. I don't think it is my duty to bear these insinuations. If it has come to pass that before this committee we cannot ask a question for information without being told to sit down, I think I will remain silent with your permission.

Mr. Atkinson:

I wish to say there is no intent upon the part of anyone here to insult anyone. We are trying to do business, that is what we are here for. I don't think Mr. Sawyer should feel hurt. We are trying to get Mr. Baker's opinion upon the form of this bill instead of drifting into a political discussion, and we would like the questions asked that bear upon this matter, and if you have any I wish you would put them to Mr. Baker, and not get angry.

Mr. Sawyer:

You are entirely mistaken, I do not lose my temper. I never was more placid in my life, it is you who are angry.

Mr. Atkinson:

Then I am inclined to think your temper might be improved by losing it. Is there any question you would like to ask?

Mr. Phillips:

I would like to ask Mr. Baker, would a tax levied in accordance with this bill be a special tax in the sense of the words used in the constitution?

Mr. Baker:

I think it would. You levy your original per cent of tax on this without levying upon the capital stock. Assuming it to be a substantially accurate way of getting at the value of the property, that was a percentage upon the capital stock. I don't see how the percentage on its cash valuation, even while it may be in harmony with the rest of our tax system, cannot be treated as specific tax as well as any other way.

Mr. Phillips:

I am not a lawyer, and just what is meant by the term "specific tax" I would like to know.

Mr. Baker:

Our constitution provides that there shall be a uniform system of taxation, our taxes shall be uniform, except upon property paying specific taxes, and that such taxes shall be levied as shall be prescribed by law, which divides the property in the State. Of course this is about the same as your general assessment, but I don't think it loses its character as special taxes as long as the Legislature treats it that way.

Mr. Phillips:

I didn't know but the fact that amendment would be necessary to make it right in form with other taxes, but that that fact would change it from a specific tax and make it but a general tax.

Mr. Baker:

I do not think so.

Mr. Phillips:

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In your opinion will not the pending suit against the Michigan Central railroad result in the abrogation of its charter, it being declared forfeited?

Mr. Baker:

I don't see that the question is involved in the case.

Mr. Phillips:

I thought this suit was similar to the one in which the question was decided.

Mr. Baker:

In the Lake Shore case there was an act of consolidation, there was something of a similar character in the case of the Detroit & Milwaukee company that has not been looked into, I guess, but the Michigan Central has always preserved its charter, that is, there has been no formal consolidation with anv other company. Its stockholders own stock in the Bay City road and Detroit, Jackson and Saginaw, and maintain their separate corporations, but I think the Colonel asked the question in that case whether or not that was not a practical consolidation. It only arose with reference to the question of freight, but it was in that case asked whether they had been sold so as to become parts of the same corporation.

Mr. Atkinson:

Is there any discussion of this bill of Mr. Bemis? There was a bill that was not referred to in our discussion last night introduced by Mr. Bemis. I request Mr. Bemis to state to us what the provisions of it are, so we may know what bills are before the Legislature before we come finally to consider this one.

Mr. Bemis:

Mr. Chairman and gentlemen of the committee: The features of the bill introduced by myself yesterday—the exact features—I think I have before me. It is an increase in the specific rates of the Merriman bill as passed last winter. Perhaps I ought to extend to Senator Merriman the same courtesy that Representative Green did to the real author of his bill. But inasmuch as in the bill now introduced the percentage is so much higher than the bill as originally introduced by Senator Merriman, perhaps that would hardly be called for. It may be called a different bill. It is a similar bill, but is in no sense the same bill. Railroad earnings not to exceed $2,000 a mile in the Merriman bill the rate was 2½ per cent specific taxes, in this bill it is 3½; between two and four thousand per mile in the Merriman bill it was 3½ per cent and in the bill before you it is 4½ per cent. Between $4,000 and $6,000 per mile 4 per cent. In the present bill it is 6 per cent; between $6,000 and $8,000 per mile 4½ per cent, and 7 per cent in this bill; upwards of $8,000 per mile 5 per cent in the Merriman bill, and under this bill 10 per cent. Ten per cent on their earnings above $20,000 per mile, and under the present bill 15 per cent.

Mr. Atkinson:

Is your bill broad enough to reach all railroads by its terms, including chartered railroads?

Mr. Bemis:

Not being an attorney, I could not say; but upon the best advice I have received to date it would seem to me that we would be as fortunate under the terms of this bill as we are under the terms of the Merriman bill. The Michigan Central, the Lake Shore and D. & M. are all specially chartered roads. I am pleased to know that our Governor has taken the course that he has in the matter of 2 cent fares. I believe his action was

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brought under the law of 1891. It seems to me, perhaps, that a similar method might be adopted to bring these companies under the general statutes on taxation. Now I believe I am correct in assuming that we can by that method obtain a flat rate of fare only at the extremity of litigation. And if we are successful in that direction I am in hopes we might be in this.

Mr. Atkinson:

The precise question was this: You will understand that we are not in position to litigate with these companies unless we have an act, which by its terms is broad enough to embrace them. For instance, if the Merriman bill should be held to be broad enough to embrace these chartered companies, then the question of power would arise; but if the court should say that the act was not broad enough to embrace them, then would come the question whether we had power to embrace them or not.

Mr. Bemis:

That was my intention. Legislation is supposed to be a compromise, and it is not entirely certain that we can get such a bill passed in this House as I would like. I may be compelled to compromise and yield some from my position. We may not get what we want. I call to mind that in the regular session of this Legislature we had a number of bills before us. We had the local taxation of railroads, we had the Merriman bill and various other bills, in the hope that we could get something. The morning before we had a special order on railroad bills I stepped into the Governor's office and asked him if he thought it advisable, everything considered, for me to support the Merriman bill, and his answer, after a short consideration, was, he presumed it was the best thing I could do.

Mr. Campbell:

What would be the increase under this law?

Mr. Bemis:

On the Michigan Central alone it would be more than double. They have not paid their taxes under the provisions of the Merriman bill. It would more than double the taxes of the Michigan Central. I think they pay $148,000. If we can bring the special chartered roads under the provisions of this bill the result would be to more than double the amount of taxes we are getting now from the railroads of the State.

After which,

The committee adjourned until Tuesday morning.

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JOINT COMMITTEE MEETING OF HOUSE AND SENATE COMMITTEES, TO WHOM RAILROAD BILLS HAVE BEEN REFERRED.

Tuesday Morning, March 29, 1898.

Mr. Atkinson:

The Joint Committee will now come to order and I desire to ask the members of the House who happen to be present and the strangers who are here to listen to what may be said, to keep as good order as possible, so that nothing of what is said will be lost, either upon the committees or the listening members or those who desire to hear it.

I understand there are a number of strangers present who desire to address the committee, and it has been suggested that the most convenient place for them to speak would be at the upper end of the table here, so that they could address the committee in this direction and be heard by the stenographers who are in the center.

Are there any gentlemen here who desire to be heard by the committees? I see Mr. Hanchett here, and I think he intends to address the committee. And if the other gentlemen who are present who are likely to speak will step up this way the Sergeant-at-Arms will provide seats for them so they will be together and be able to consult.

I desire also to ask the members of the House who have introduced bills that have not yet been referred to any of the committees, if they would be kind enough to have those bills brought here, they possibly may come up in the discussion and it might be a matter of convenience to have them where we could lay our hands upon them. The first person to address us is Mr. Benton Hanchett of Saginaw.

Mr. Hanchett:

Gentlemen of the Committee: I appear here this morning to represent the Flint & Pere Marquette Railroad Company, and to express to you in some measure the ideas of that company upon the subject, the general subject, of legislation that is before the Legislature. I want now to say to begin with that the company does not appear here in any position of opposition to the will of the Legislature, whatever that will may be, upon the subject of taxation of railroads. It realizes to the fullest extent that it is in the power of the Legislature, that it must depend on the wisdom and judgment of the Legislature for its prosperity, and for protection against those things which may occur to its detriment. The Flint & Pere Marquette Railroad Company is not only willing but is desirous to pay its full share of the taxes which it ought to pay to support the government of the State. It submits only its view to your judgment, simply desiring to inform you what those views are. Aside from the power which is reserved to the Legislature and which is without question, to amend or repeal the charter of a railroad company, by amending or repealing the law under which it is formed, it has unquestioned additional powers which the Legislature may exercise over the railroad companies.

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The first one is the power to regulate the charges which the railroad company may make for the services which it renders in the transportation of persons and property. The power in the Legislature to cut down the rate of the charges, which the railroad company may make for carrying either persons or property, is a power which is established, which is unquestioned, which belongs to every Legislature in any of the states of the Union. That is a power they have which goes to this fact that the Legislature may say what the earnings of the railroad company shall be. It may cut down those earnings in its discretion with this one limitation, and this one only, and that is, it has been declared by the Supreme Court of the United States, which is the only arbiter of this question, that the Legislature cannot so cut down the fares for the transportation of persons and of property; that after a railroad has defrayed the expenses of operating and of managing its road in proper order, there shall be no return left for the investment of its property. I say the only limitation that has been declared is, that the Legislature shall not so cut down fares that there shall be no return made for the investment made in the property of a railroad company.

Now, then, we have this feature which we consider in considering the subject of taxation, that the income of a railroad company cannot be determined by itself. It cannot say when it has gathered into itself all the business which it can reach that it shall receive so much income from that business. That is a question which in a large measure is determined by the Legislature itself. The Legislature has acted upon that question and we are not here to make any objections to any action which has been taken upon that subject; but we say this, that when the Legislature determines to tax the railroad company after having cut down its earnings, it must take into consideration the fact that it has limited the earnings in determining how much of these earnings it will appropriate to itself after having defined and limited them. In other words, when the Legislature has said you shall earn only so much by regulating its fares that that should be taken into account when the Legislature says we will take so much of these earnings from you and appropriate them to the uses of the State.

Now, the power of taxation is a power to destroy. There is no limitation on the quantity or the extent to which the Legislature may tax. There are constitutional limitations as to the method of taxation; as to the manner in which taxes should be imposed, but when the Legislature observes these methods the extent of the taxation is in the power of the Legislature.

It will be seen at once, that on the subject of taxation of railroad property and corporate property generally, there is a vast difference between that and the taxation of private or individual property. In the latter case, while the Legislature may tax private property as it taxes railroad property, it cannot limit the earnings of the party whom it taxes.

Now, there is another consideration; railroad property is different from other classes of property (and when I say railroad property of course, I include corporate property) railroad property is differently situated from other property in this respect. Railroad companies are organized. They are authorized to be created in order to render a public service. We have gone through that subject in legislation and in judicial construction, and the doctrine is now settled and no longer questioned anywhere that rail-

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road companies are created for the purpose of rendering service to the public. It is upon that ground largely, that the Legislature may not only limit its earnings but also control the manner in which its business is conducted.

It is recognized that our business, our civilization as it now exists, depends upon the facilities for transportation of persons and property from part to part, which are furnished by the railroad companies. Our communities, our State, cannot exist in its present condition of prosperity unless these facilities of transportation are furnished by the railroad companies. In other words the State cannot prosper unless the railroad companies prosper. The railroad companies cannot prosper unless the State permits.

Now then, because the railroad companies are for a public service, these things are demanded of every railroad company, namely:—that the service which it renders in the transportation of persons and property, shall be prompt and efficient; and second that the persons and property shall be transported with safety; and third that the convenience and comfort of the community shall be provided for in the work which is done by the railroad company. Efficiency, safety, convenience and comfort must be provided for by every railroad.

Now then, the Legislature not only demands these things of railroad companies but the public for whom they render service, also demand them, and the demand is absolute, and it follows that no railroad company is the master of its own economy.

Every railroad company must furnish a road, a road-bed, its ties, its rails, its bridges, its superstructure, in order that its work may be done with efficiency, safety and with convenience to the public. It must furnish depot grounds in order to meet those requirements.

Now then, it follows from this, inevitably, that one railroad company must, in a large measure, have substantially the same investment that another railroad company has.

The railroad company which I represent, the Flint & Pere Marquette R. R. Co., whose road extends from Ludington on the shore of Lake Michigan, east to Port Huron and south to Detroit and to Toledo whose line is 648 miles in length—the main line of the road; now that road runs through a large portion of country that furnishes very little local business to it. Its revenues, locally, from one-half of the distance over which it is run are very little. It cannot increase them, but it must have the road, it must have the equipments required for doing that service as efficiently, as safely, as conveniently as the great trunk line railroads which run through the southern portions of the State. Its road-bed costs substantially all that the road-beds of the great companies does. It must have the same class of equipment, the same kind of freight cars—it must furnish substantially the same kind of passenger cars; and it does do that, with this exception, namely: these larger and richer companies that have a larger through passenger traffic of a special and particular class furnish a class of palace or luxurious cars to accommodate that business, which exceed in expense the cars that are found upon the Flint & Pere Marquette R. R. Otherwise the equipment of one company is substantially like the equipment of the other, because that equipment is required to meet those necessities—those demands made upon it by the public, which I have mentioned. Now then, that leads me to this statement: the main bill which

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is before the House, to speak respectfully and briefly, which I understand to be a bill recommended by the Executive, and I may call it the Governor's bill, contemplates that railroad property shall be assessed upon the basis of its true cash value.

Now what is its true cash value? Without criticising the provisions of the bill, for I do not propose to enter upon that subject, the constitution provides that where the assessment of taxes is made upon the basis of the value of property the assessment must be made at the true cash value.

Now then, if you get at the question of what the cash value of the road bed, and other property which I have mentioned of the Flint & Pere Marquette Company, first you will inquire how much cash has been put into that property. That cash is substantially the same as the cash which has been put into the same kind of property, which is owned by the richer and stronger companies.

Now, if you assess taxes on the basis of the true cash value of the investment made, of what the property has cost, this will follow: That the rate of taxation on the same investment in the Lake Shore & Michigan Southern Railroad Company and the Flint & Pere Marquette Company will be substantially the same. Now then, what is the result? The earnings of the Flint & Pere Marquette Railroad Company are only a fraction of those of the Lake Shore & Michigan Southern Railroad Company per mile, and the result will be that a taxation which is based on the basis of cash value may be borne easily by the Southern company when it will crush the Flint & Pere Marquette Railroad Company. Now, this ought to be provided for.

Let me tell you something now of the situation of the Flint & Pere Marquette Railroad Company. I have given you the length of its main line. Its outstanding bonded indebtedness is $10,749,000. On that it pays an interest charge. It has always paid its interest, and because the interest is paid those bonds are at par or above par. When a railroad company cannot pay its interest on its bonds it fails and must go into the hands of a receiver. It has escaped that, but what is its condition now? It has two classes of stock, known as preferred stock, on which there is outstanding $6,342,000, which represents money; actual investment, not water. It has in addition of common stock $3,298,200. It has not paid one dollar of dividends ever at any time upon its common stock. It has not paid one dollar of dividends since the year 1892 on its preferred stock. Why? Because it has not had the money to pay the dividends with.

It owned in 1892, when it stopped paying dividends, 118 passenger cars. It owns now 117. It owned in 1892, 104 locomotives; it owns now 107, an increase of only 3. It owned of freight cars 3,618 in 1892; it owns now 3,390. You see that its rolling stock, its equipment, has diminished. It has diminished for the reason that it has been struggling for existence; it has been struggling to pay the interest upon its bonded debt; it has been struggling to keep itself out of the hands of a receiver; and in order to practice the utmost economy it has not invested what it ought to have invested to keep up its equipment, its rolling stock, so as to serve the public as efficiently as it ought to serve it.

Now, in the present method of taxation it has been up to 1897 $55,007.19. It is for you to say, gentlemen of the Legislature, how much

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increase of taxation this company can stand. It will pay—it must pay whatever increase you say it must, so long as it can do it.

Now, for the purpose of illustration, let me say this—the main bill proposes an assessment upon the valuation of the property. Then it proposes that the rate of taxation shall be the average of taxation of all the taxes in the State, except the local taxes which are assessed on the basis of benefit. In assuming that that rate of taxation will be two per cent, if you assess them two per cent on the value of its bonds, on the estimated value of its stock, you will increase the taxation on the Flint & Pere Marquette Railroad Company from $55,000 up to in the neighborhood of $300,000. Now, if the railroad company provides for that additional tax it must do it in one of two ways, or in both of those two ways, namely, it must cut down the wages which it pays to its men. Now, that is not practicable. It is not desired by anybody. If it does not cut down the wages, it then must put this additional sum upon the freight rate charged for the transportation of freight, for it cannot put it upon the passenger traffic—that is limited. Now, if it is put upon the freight, if that is practicable, then these additional taxes will be paid by those people whose property is transported over the railroad.

Now what do I say these things for? Simply and only that in your legislation you will take these things into account.

Now, I want to call your attention to the fact that assessing on the basis of the cash value of the property, the burden would be cast upon the weaker companies. For instance, it would be cast, for the same investment, upon the Flint & Pere Marquette company, whose earnings may be $3,000 a mile at substantially the same that it would be cast upon the Michigan Central or the Southern company, whose earnings are five or six times that—or may be—I don't know what the amount of their earnings are—I don't want to assume to know—but it is known that they are very much larger.

Now, then it may be said on the other hand in answer to what I am saying, that this would be avoided by the board of assessors, taking into account when they assess the different properties of these companies, the earnings of the companies in determining the value of the property. Why gentlemen, I grant that. It may be taken into account, but that would be doing just what is now done in the present process of taxation, namely, the apportioning the taxes on the basis of the earnings of the railroad company. That is what it would be doing, but it would be doing it under another name. It would be doing it by different machinery—by different methods; leaving the result entirely in uncertainty.

Now, what we want, what we desire above all things in railroad business, as in other business, is this: Freedom from uncertainty. Certainty is what the railroad companies want. If they are to be assessed on the basis really of their earnings, if the taxes are to be apportioned on the basis of the income of the company, they know what they may be. You fix the rate on the earnings of the company and they will know what they have got to do; they will know what they are to provide for; they can judge of the outcome, they can judge of the result, and so can you, from what the records furnish to you in the past of those earnings show. Now, understand me to refer to this subject for this reason and this only, to show to you that it is the judgment of the railroad com-

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panies that the taxes will be best apportioned between the railroads and the weaker companies protected by placing the assessment of taxes on the earnings rather than upon the true cash value of the property invested. We ask you to consider it. I do not stand here to say for the company which I represent that it should not pay more taxes; I stand here to show you what the condition of the company is, and to ask you so to legislate that we can at once bear the burden and that we shall not bear any more than our share of the burden when you take into account the other railroad companies in the State.

Now, coming to the bill itself, I want with your permission to speak of some individual features of it. I have already spoken upon the point of its being based upon the cash value of the property, and I pass that. The bill proposes these two things, if I understand it correctly; first, to determine all the property which the railroad company has, road-bed, structures, depots, lands, rolling stock and equipment of every kind; that is visible, tangible property, and the board of assessment is expected to ascertain what the true cash value of that property is, and the method of doing that we can get at by some means, what is understood to be the true cash value of all the tangible property. Now, when the board of assessment has done that, it is required also to assess the franchise of the railroad company at its true cash value. Now, what are the franchises of a railroad company? Let me talk to you a few moments upon that subject, and ask you to consider them, and look at them, and see what they are, and see how we can get at any measure of the true cash value of a franchise. The franchise of a railroad company is the right to use its property for railroad business, that is its franchise, and that is all there is to it. A store is something that you can estimate a value upon. A store is valuable because the man who owns it has the right to carry on the business of a merchant; now, that right is a personal right, it is a property right, and it is just as assessable as the franchise of a railroad company is. A saw-mill is a piece of property whose value you can fix on the true cash basis, and it has value only because the man who owns it has the right to run the mill. You can fix the true cash value of a farm, and that farm is not worth a cent except in connection with the right to raise crops upon it, and carry on the business of farming.

Now how many men own railroads? A railroad may be private property. We have had many examples of railroads owned by private parties in this State. In the lumber regions, a man may construct a railroad and operate it upon his private property. He has a right to do this. This right does not come from the Legislature. It is that unalienable personal right that enables a man to run a store and operate a farm, or operate a mill. Now then when a corporation is authorized by the Legislature to construct and own a railroad it is given the right to operate the road, and that right is its franchise. Now then, how can you assess the value of railroad property disconnected from the franchise, the right to use it for railroad purposes. Can you determine the value of railroad property separate from its franchises? It is not good for anything without a right to use it for railroad purposes. Its road bed is good for nothing, its depots are substantially good for nothing. You may sell and dispose of its rolling stock and get some money for it, but that which constitutes that of railroad property itself is valuable

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only in connection with the franchise or right to use it for railroad purposes.

Now, on the other hand, take the franchises separate from the railroad property and estimate its value. What is the right to operate a railroad worth separate from the property of a railroad? Nothing, absolutely nothing. I say then that clearly it is impossible upon any basis to estimate the true cash value of the franchise of a railroad company as something distinct from its railroad property. In assessing railroad property itself, you must take into account the fact that it may be used by its owner for railroad purposes in order to attach any value to that property; and when you have done that you have assessed both the franchise and the property.

I say then in regard to the bill,—if you undertake to assess the franchise of the Flint & Pere Marquette Railroad Company as something in addition to its property, you will not only go into the clouds, but you will take the railroad company with you. There is no means of arriving at the value of the franchise except by the mere uncontrollable whim, mere unguided opinion, the mere guess work of the men who undertake to attach a value to franchise.

Now I have said in assessing taxes there is no limit to the amount for which taxes may be assessed. The Legislature may select a business or property upon which it may impose taxes, but they may tax that business or that property to destruction without following the methods pointed out in the constitution. You must follow the right method.

Now there are two provisions of the constitution to which I think it is my duty to refer. On the subject of taxation under the main bill, which is being considered. The provisions, one and perhaps both, have already been discussed by Mr. Baker. I call your attention to the provisions of Sec. 11, Art. 14, which provides: "The Legislature shall provide a uniform rule of taxation as to property paying specific taxes, and taxes should be levied upon such property as shall be prescribed by law." The first clause of this section provides for a uniform rule of taxation except upon property being specifically taxed. Now then, in regard to section 11, that the Legislature shall provide a uniform rule of taxation. It is applied in this way, viz.; for every tax there must be a taxing district and all property within that district subject to taxes must be taxed at the same rate. The State is a taxing district, for the purpose of raising or levying State taxes. The county is a district for levying county taxes. The township is a district for levying township taxes. A school district for levying school taxes. A village, or city is each a district for raising village or city taxes.

Now then, how is the State tax determined? By the Legislature. How is the county tax determined? By the board of supervisors. How is the township tax determined? By the township authorities. How is the school district tax determined? By the voters in the school district. The village taxes and the city taxes are determined by the village authorities or by the city authorities. Now mind you this; the tax voted or fixed in any county has no reference to and has no effect upon any tax in any other county in the State. It is the same with the township. In townships the taxes determined by the electors of the township to be raised in the township has no effect upon and has no reference to any

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other township tax in the State. It is the same with school district taxes—it is the same with village taxes—it is the same with city taxes.

Not one of these separate taxes when determined have anything to do and have no effect upon any other tax in any county, in any township, in any school district, any village or any city. Now what have we?

Every board of supervisors in determining the county tax of the county is determining how much tax should be assessed upon the railroads of this State, under this bill. Every township in voting taxes of their different townships is determining how much tax should be assessed upon the railroad companies. So with every school district, and every village, and every city, while they are determining their local taxes they are fixing the amount of taxes which should be assessed upon all the railroads in the State. Now when they are doing that, when the board of supervisors are determining the amount of taxes that shall be raised in Saginaw county they are at the same time determining and fixing how much shall be assessed upon the railroads. They are not thinking about the railroads, they are acting upon that subject consciously, and yet they affect that subject precisely as though they were taking it into account, and the same with the township, village and city authorities.

Why? Because the taxes thus assessed upon the railroads is a determination by the board of assessors for which this bill provides. The bill is in substance this: That the board of assessors shall determine the true cash value of property to be assessed and then to determine what the rate of taxation should be charged against it, and they inquire what taxes have been raised or determined by the county, township, school district, village and city authorities to be spread upon their localities, defines the average, and then puts that price upon the railroad. Is that a uniform rule of taxation? Is there any rule about that? You find this: That the tax assessed against the railroad company is made up without anybody, without any municipality, without any person taking into account what the needs of the fund require for which the railroads would be assessed; or taking into account how much the railroads are to be assessed. I repeat, under the operation of this bill, there is not a mind in the State of Michigan acting with or without authority that takes into account the public needs in determining how much shall be assessed against the railroads, or takes into account how much the railroads are to be assessed, either one. I say that is not a uniform rule of taxation. Let me illustrate: My city is about constructing a bridge across the Saginaw river at an expense of sixty thousand dollars. The city is determined to do that. That tax will be assessed because we construct that bridge across the Saginaw river; the proportionate amount of tax will be spread against the railroad company for another and different purpose. Some of the counties in the State are engaged in constructing stone roads. Now, in determining the amount they spend for stone roads, they are determining how much the railroad companies shall be assessed for a school fund, without thinking about it. When the city of Detroit determines to appropriate a considerable sum of money for the embellishment of its city parks, it is at the same time determining that there shall be an increase of taxation upon the railroads. Can it be possible that when we reflect upon this subject that this form of taxation meets our judgment. I say to you, gentlemen of

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the committee, that in my judgment that cannot stand the test of the constitution. Now, in regard to the other provision—

Mr. Atkinson:

Mr. Hanchett, would you permit me to ask you how could we provide a tax that would stand the test of the constitution? Would you fix the percentage in this act?

Mr. Hanchett:

Now, Col. Atkinson, I will answer that question, and it will be in line with what I have to say upon the next clause of the constitution, and I will answer you then.

Mr. Atkinson:

Very well.

Mr. Hanchett:

Now, the other clause of the constitution requires this: That every law which imposes a tax must do two things, it must state the tax itself and it must name the object to which the tax is to be applied. Now, that rule is applied in this way: The State always, in passing legislation for taxation, names the object to which the tax is to be applied. For instance, this bill about which we are talking, that names the object, which is to provide a fund for the school money, an educational fund. That object is definite. Now, the other part of the rule is this, how is the tax to be stated.

That is complied with when the law providing for the taxes authorizes some agency of the State to name, designate or determine the tax. For instance, when the Legislature authorized the city of Saginaw to raise a tax for constructing a bridge across the Saginaw river it named the object, but the tax itself was left to the municipal authorities of the city to determine or state. Now, then, this bill as I have been pointing out to you, does not provide for anybody to take into account what the tax ought to be and determine what it shall be. That is the difficulty with this bill. It simply says, Why, look over the State, and see what the supervisors have done in raising county taxes, and the townships, and the villages and the cities, and the school districts? Now, mind you, while these different bodies have been determining the local taxes, they have not been taking into account the railroad taxes at all, and yet, they have determined the railroad taxes. That is, the railroad tax has sort of arisen like a mushroom, growing out of their action. Nobody has determined it. It has never been stated, it has never been fixed by anybody, it has come up by chance, it is not a work of judgment, it is not the work of deliberation.

Now, my answer, Mr. Chairman, is this: That this bill cannot meet in my judgment the requirements of the constitution unless there is some provision made in it by which somebody is authorized to determine the amount of tax which ought to be assessed against a railroad company, and shall state the amount in considering that subject. What provision may be incorporated in this bill in order to meet that provision I don't know as I would be able off-hand and momentarily to suggest, but that this bill can stand the test of the constitution of the State of Michigan as it is now drawn, my judgment is as clear as my language is plain upon that subject.

I thank you for the very great patience with which you have listened to me. I have taken more time than I intended. I want to close as I began. I wish you to accept the statement which I make to you that I appear here only for the purpose of conveying to you the views which

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have occurred to this railroad company which I represent on this subject of taxation, and to add again, that if you desire to increase the amount of tax which you wish this railroad company to pay exercise your wisdom and judgment upon that subject and the railroad company will do the best it can. When you have taxed it beyond its reach it will go where very many good railroad companies go, into the hands of the receiver. The judgment of the railroad company is, that the method of taxation it can best provide for and which will be most just toward it, as one of the weaker roads in the State, that in substantial form it shall be that system of taxation which has been adopted of apportioning the tax on its capacity to earn. You can judge if its capacity to earn. Call for that portion of its earnings which you think it ought to pay but do not leave it in uncertainty, do not leave it in confusion. I advise against, above all things, the adoption of legislation which will leave us in this State in a condition of uncertainty as to whether the tax is valid as well as to what the amount of tax will be when spread. I thank you, gentlemen.

Mr. Atkinson:

Is there any member of the committee that would like to ask Mr. Hanchett any questions? We ought to get what knowledge we can from these distinguished gentlemen while they are here. If not, I would like to ask Mr. Hanchett one or two questions, if no other member would. I would like to ask one or two questions for the information of the committee. Would it be, in your judgment, competent for this Legislature to fix a percentage on values that the roads should pay?

Mr. Hanchett:

I do not know of any constitutional provision against that.

Mr. Atkinson:

So that if instead of taking the amount fixed by the supervisors, we fix directly—

Mr. Hanchett:

How is that?

Mr. Atkinson:

I say so that if instead of taking the amount fixed by the supervisors and equalized by the State board we fix directly a percentage upon the value of the roads; that would be all right, would it?

Mr. Hanchett:

I know of no constitutional objection against that.

Mr. Atkinson:

Now representing the Flint & Pere Marquette what tax do you think would be equitable on their actual value—the actual value of the road—what amount of tax do you think would be fair?

Mr. Hanchett:

Well, colonel, I could not answer that off-hand—I could not say just what from the showing which I have made you. I will add that every facility will be furnished by the railroad company, every facility in its power, to verify its condition to the committee or the Legislature in such form as they see fit; and we claim we are paying as heavy a burden of taxes in our present condition as we can pay. That would be a mere matter of computation by ascertaining what percentage that is.

Mr. Atkinson:

Do you remember what amount of land your road received from the State?

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Mr. Hanchett:
Originally?
Mr. Atkinson:
Yes, sir.
Mr. Hanchett:
No sir. The lands remained so long. There are remaining now of the poorest lands, about 50,000 acres on which taxes are assessed, as upon other lands in the State; but lands which have been sold—the money which has been received from them has gone into the construction of the road itself, and while I cannot give you accurately the amount, I think that the amount received is in the neighborhood of five million dollars.
Mr. Atkinson:
Well now, when you got those lands you agreed to pay one per cent, did you not, on the cost of your road and its equipment, in consideration of the lands?
Mr. Hanchett:
No, sir. It may have been in the original bill, but it is not so as passed.
Mr. Atkinson:
Section 20 of that act passed in 1857, I want to call your attention to it, because I think it quite important.
Mr. Hanchett:
That may have been originally provided for, but it was afterwards changed.
Mr. Atkinson:
We are trying to get back at first principles if we can. In the act giving the Flint & Pere Marquette six sections of land for every mile, this section was incorporated, in consideration of the grants of land and other privileges hereby conferred on each of the several railroad companies mentioned and named in Sec. 2 of this act, and said several railroad companies are hereby required, within sixty days from and after the first day of each and every year, to pay into the treasury of this State, as a specific annual tax, one per cent upon the cost of the road and its equipments and appurtenances, of whatever kind; and it shall be lawful for the Legislature of this State, in their discretion, after ten years, to impose upon either or each of said railroad companies the payment of a further tax upon the gross or total earnings of such road of not exceeding two per cent. Now you got the lands under that agreement, did you not?
Mr. Hanchett:
No sir.
Mr. Atkinson:
What does it mean then: "In consideration of the grants of land and other privileges?"
Mr. Hanchett:
The provision was changed.
Mr. Atkinson:
This act required that your road should file a written acceptance of the provisions. Is it not fair that you should pay what you agreed to pay when you got those lands?
Mr. Hanchett:

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It is impossible that we should do it. Now the lands themselves have been taxed independently and differently from that provision for twenty-five years.

Mr. Atkinson:

This act expressly exempted those lands for seven years besides giving them to you. That exemption was always lived up to, wasn't it? The tax did not occur until 1873. Is there any way in which the State has broken that contract?

Mr. Hanchett:

Why it changed the contract itself.

Mr. Atkinson:

But it changed it to your advantage, but it never broke it?

Mr. Hanchett:

I say we could never have lived under it. We cannot live under a taxation that goes beyond our present means now.

Mr. Atkinson:

Has there been any act since that time—since that act was passed which has cut down your passenger or freight rates?

Mr. Hanchett:

Nothing that affected the freight rates.

Mr. Atkinson:

So that the State has left you undisturbed in the condition you were at the time you got the lands and agreed to pay that amount?

Mr. Hanchett:

No sir; it has removed that provision—it has taxed the land and it has required different taxes to be paid in place of the taxes provided for there.

Mr. Atkinson:

Now to go back to what you actually agreed to do at that time, would you consider it fair?

Mr. Hanchett:

I say we could not stand it. We can go into the hands of a receiver, Col. Atkinson, that we can do at any time at your direction, or the direction of the Legislature.

Mr. Atkinson:

I would be sorry to see you do that; but still I think you ought to pay what you agreed to pay.

Mr. Hanchett:

You do not think that, when conditions have changed so in legislative enactment that we are unable to do it, do you?

Mr. Atkinson:

Has any legislative enactment prevented you from doing this?

Mr. Hanchett:

Yes sir, in this sense. If that legislation had been continued we would not be where we are now.

Mr. Atkinson:

In what respect?

Mr. Hanchett:

We should not have built the road.

Mr. Atkinson:

Well, but you did build the road, and run it for twenty years under this act.

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Mr. Hanchett:
Oh, no.
Mr. Atkinson:
The act was not changed until '71, at least from 1857.
Mr. Hanchett:
But you taxed the land.
Mr. Atkinson:
Not until the 7 years were up.
Mr. Hanchett:
You do not mean that we were in existence twenty years before 1871?
Mr. Atkinson:
You were organized and in existence in 1857 and the tax on earnings was not introduced until 1871.
Mr. Hanchett:
That is not twenty years, and in 1871 only a very small portion of the road which we now have had been constructed.
Mr. Atkinson:
Do you mean to tell us that you would have taken those lands as you did at the time, and then not have built your road?
Mr Hanchett:
We could not have done it. We only got the lands as we built the road. We got from the State the right to the land, but we got the title to the lands from the general government, Col. Atkinson, as we built the road.
Mr. Atkinson:
That is true, but you got it through this act from the State.
Mr. Hanchett:
That is we had the right from the State to earn the land, but we got the lands as we built the road.
Mr. Atkinson:
Can you give us any idea of what those lands sold for, the average price?
Mr. Hanchett:
No, sir, I cannot give you the average.
Mr. Atkinson:
Would they bring a dollar an acre?
Mr. Hanchett:
I suppose so. You mean on the whole grant?
Mr. Atkinson:
On the whole grant.
Mr. Hanchett:
I cannot tell you at what price they have been sold. We can show you by the records what price has been received and where the money has gone, and I say to you that the money received has gone into the construction of the road.
Mr. Atkinson:
Was that not done in this way, Mr. Hanchett, did not your stockholders form themselves into a construction company and take the land grant for building the road?
Mr. Hanchett:
No, sir, not at all, never, nothing of the kind, not in the remotest degree.
Mr. Atkinson:
Mr. O'Brien, I understand that you would like to address the committee.

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Mr. O'Brien:

Mr. Chairman, and Gentlemen of the Committees—I know that your time is limited, and by reason of the able argument that has been made by Mr. Hanchett, I will save to you and relieve myself from covering a part of the ground that I would have gone over.

It will be sufficient for me I presume to say a few words of somewhat of a local character, and as affecting for the most part the property which I represent.

You all know that Michigan is unlike any other state in its physical nature. You all know that no railroad under modern conditions and modern requirements can be what we call prosperous except it has interstate business. Except it runs from one market and one place of production to the market, and going the other way in the same way. Michigan can never have through traffic across the State at any point north of the Michigan Central Railroad. You are all more or less acquainted with the character of the northern part of our State, and if you will give it a moment's reflection you will see that no north railroad will be limited to local traffic but that the State itself, or that part of the State itself has been and is still dependent upon forest products, and that when those are gone it becomes a very important and doubtful question as to what will become of the railroads which are operated there, as best they can.

The Grand Rapids & Indiana Railroad which I represent has 300 miles of main line in the State extending from the Indiana line near Sturgis to Mackinaw City. It was built at a time when labor and material were at the very highest, a large part of it between 1868 and 1873, when it was finished to Petoskey. Steel rails were hardly to be thought of—$120 a ton; while iron rails such as were bought, (and I put mighty little value upon them) cost from seventy-five to ninety dollars a ton. The result of it was that the cost of construction in the indifferent manner in which it was constructed was so great that the earnings of the company were never sufficient to pay the interest on the debt.

I had the figures for a few of the years; while a part of the time in appearance the earnings were sufficient, the requirements of the public were such that what might or should have gone for interest had to go to increase the equipment and in betterments of one kind and another, leaving the interest to be unpaid or to be taken up by the guarantors of the bonds. In 1890 the net earnings were enough, and thirty thousand dollars in excess to meet the interest, but from 1890 until 1896 inclusive, they never were sufficient, and the deficit in respect to the interest charges during that period was over a million and a half of dollars. This load of course was too great, and it resulted in a foreclosure of the mortgage upon the property. The present bonded debt is a little less than nine and one-half millions; about one-half of it draws interest at four and one-half per cent, and the balance for last year two and a half per cent, and this year at three per cent, and yet with that low interest charged, the earnings are barely sufficient to meet it, and in fact would not meet it if the amount necessary to be laid out on the property for the public service should be diverted and used in that way, for, as Mr. Hanchett has pointed out, it does not matter what kind of a railroad you have, its road bed, its rails and its tracks must be safe; the cars, the equipment and the engines must be good, and up to some sort of modern requirement. The standard is set by the trunk lines, and these connect-

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ing lines—such as I call these—must as far as possible follow suit. They do this in answer to the public needs, the public demands, and that demand you know very well cannot be ignored, and today, managers are not masters of their own revenue, and nearly everything goes for the betterment of the property and the service.

Now, under the bill as passed last winter, the taxes of the Grand Rapids & Indiana Railroad for this year were over fifty thousand dollars, an increase of between eleven and twelve thousand dollars by the Merriman bill. This tax is required upon the gross earnings in the State of Michigan, of only a little more than a million and a half of dollars—one million, six hundred and eighty-five thousand dollars, and now, gentlemen, if you will bear in mind that every month more than three-quarters of that money of the month's earnings is filtered directly through the office for operating expenses, you will soon see the difficulty of paying interest and increasing taxes. If the taxes are increased,—of course we are in the hands of the Legislature, we are organized under the general law and it somehow must be met, and the country through which the road runs, the towns which are dependent upon it will suffer to the extent that the service is lessened or decreased. People do not buy property, farms or village property along the line of a railroad that cannot be kept up in decent service, in decent condition of safety, of speed and comfort. And so the question becomes a broader one than the mere matter of how many dollars can be got out of the company. They are in a general way semi-public institutions, and will be so treated.

There is chance for reform in this State and reform that is crying for attention, but it is not embodied in this bill. For instance, there is a large percentage of people who do not pay taxes at all; people who live in a community, having the benefit of its protection which its laws give, and while I would have all property pay taxes, I would have every man contribute a little something towards it. There are men who live in our municipalities and help to make the indebtedness, yet they do not contribute to the public payment. It is entirely unfair, and the manner in which real estate is valued needs reform, but it will never reform itself, in the nature of the system it cannot. No supervisor raises the value of his township if he can help it. The board of supervisors do not correct. They may bring him up in comparison with some other township to some amount, but they do not correct his assessment of individuals. The question of personal property of the State in a large part escapes altogether. If a man has a stock of goods, or a stock of horses, etc., perhaps the supervisor sees it and levies a little tax upon it, but levies no tax on the personal property in his house for instance. There are people in the city of Grand Rapids, the city of Detroit and elsewhere having an income of from one to five thousand dollars, living in luxurious homes, who do not pay taxes on it. They have personal property in books, pictures, furniture, instruments, etc., worth from two to twenty-five dollars, and the supervisor assesses none of them.

There is a commission for that purpose in some States and I think it would be well to have one here, and it could be done under our constitution. It is for this reason that I have wanted and have for a long time the appointment of a commission to look into the subject matter, not only in respect to the short comings of the present tax system, but to take into account as well the relation of taxation of railroads to other

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property in this State. There will never be a right basis for taxation until this is done.

Mr. Atkinson:

Mr. O'Brien, if you will pardon me, I suppose you will speak at considerable length yet, will you not? I was going to ask the committee whether they would prefer to adjourn until afternoon or whether they would prefer to go on now.

A member of the committee:

We had better go on for an hour.

A member of the committee:

I think we had better adjourn, as we have a session this afternoon in the Senate.

Mr. Atkinson:

I would be glad to go along for a while, if it will suit the rest of the committee. We will continue a few minutes at least.

Let us take as an illustration of what I am trying to show as to the shameful condition at the present time under the existing law. In the city of Grand Rapids there are, say 12,000 pupils attending the public school at the same time during the year. That is not the number within the age, but there is that number at some time during the year that have been enrolled. It costs $222,000 to support the schools, or $18.48 for each of the pupils. A large number of the people whose children these are do not contribute to this support, except as somebody has suggested that they do it in paying rent. They do not pay any more than the property is worth for rent. There are families where it costs more to educate their children than all the rent they pay. Suppose there are 20,000 voters in the city and 2,500 other persons who are not voters, but citizens, the total outlay is $646,000, or $28.72 for each person.

Now, somebody has said that the bill—the principal bill here before the committee—is modeled after the Indiana plan, and that we had better go to that method. Now, I wish to say, gentlemen, if you choose to do that it will meet my approval. Their system is more effective than ours, to say the least. But it must be borne in mind that there are no exemptions, that every man in every township pays some taxes, from $2 to $5, whether he has any property, family or not. That every householder is assessed the cash value of their furniture and belongings, so no property escapes. There is a central head, an intelligent head, that equalizes and holds up every single community in the State, to wit, a tax board. That board assesses railroad property. They have control of that and all other property as well.

When that board was appointed in 1891 they raised farm valuation the first thing 44 per cent, they raised city valuation 60 odd per cent and they raised all corporate value in proportion, railroad 100 per cent or more. So while that system would be more equitable, more nearly equal and more harmonious than ours I doubt if the people would like it as well, because the people of this State, the farmers especially, are not heavily taxed. They sometimes think they are but by comparison they do not know what taxation means.

Speaking about the relative taxation of railroads, I have only a few figures, but I notice this in respect to Grand Rapids. I believe there are 40 furniture factories. I suppose their gross earnings amount to between

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eight and ten millions of dollars. I do not know their aggregate investments, but it is not as much by any means as the investment of the Grand Rapids and Indiana Railroad Company. And yet, with gross sales, made up of raw material and labor chiefly, with gross sales between eight and ten millions of dollars they pay less taxes than the railroad company pays with a gross return of $1,685,000.

That is the difficulty. Once he has it built and established he can do a large amount of business, but without the business his income is small, and his investment is immense. That is the practical difficulty in the construction and maintenance of railroads; the enormous investment, and in a sparsely settled community such as we have, small returns. That is one of the things which the people must take into account in fixing the taxation. Now, how do they use their money? I can only speak for the one I represent. I said a little bit ago three-quarters of the money was paid out directly for operating expenses. Something like thirteen hundred thousand of the sum I have mentioned went for operating expenses; seven hundred and twenty of it was paid out in the city of Grand Rapids for labor and material, and I am informed by Mr. Heald of the West Michigan and D. L. & N. road that over four hundred and twenty-five thousand of their earnings was paid out in that way. So that you see gentlemen, that, barring the mere matter of interest, and some supplies that cannot be produced at home, the money is directly returned to the people, and gets into circulation. I do not believe that this Legislature is ready at this time to make the proposed change. I do not believe they have before them the data which should guide them as regards the ability of the roads to pay, nor a comparison between our system and the successful systems of other states. I do know that a number of states are making great efforts to have our system adopted. I have in mind especially the report of a tax board of Kentucky, which, not able to get our system adopted, still believe it to be the true one. Now, of course, if you fix the taxation upon values, that is rigid, and the money has to be paid, no matter what they earn, big or little, they must pay the amount that the computor figures out with the data before him. How infinitely more fair it is and just for the State and the railroad to make and set apart from each dollar of its earnings a certain per cent. If he earns a good deal he pays a good deal, and if he earns but little he can afford to pay but little. The matter is in the hands of the Legislature. There need be no difficulty about it. The system is simplicity itself, and it can be easily raised or lowered by the change of the figures, and why should it be necessary to spend any time upon doubtful systems, doubtful according to the opinion of Mr. Hanchett, when we have already one which is perfection and simplicity itself. Gentlemen, I thank you.

Mr. Atkinson:

Is there any other gentleman who desires to be heard at this time?

Mr. Coleman:

I would like Mr. O'Brien to give us once more the fact he stated wherein the G. R. & I. railroad and the forty furniture factories of Grand Rapids had a certain income. I understood him to say the output of those factories was between eight and ten millions.

Mr. O'Brien:

So I have been told.

Mr. Colman:

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While the G. R. & I's total income was $1,685,000?

Mr. O'Brien:

Yes, $1,685,000.

Mr. Colman:

Now, then, what taxes do they pay. Does that include all the stock, the county, state and municipal taxes aggregated together; are they still less than the G. R. & I.? What are the figures?

Mr. O'Brien:

I cannot give you them now. I can furnish them to you. I obtained the amount paid by twelve or fifteen of the larger furniture factories, and I found that the aggregate would be less than ours.

Mr. Colman:

Can you give us the investment of the railroad company itself, the actual investment, and also the actual investment of these forty furniture factories?

Mr. O'Brien:

No, I cannot give you the actual investment of the furniture factories, but the investment of the railroad company was in the neighborhood of $16,000,000. I ought to have said that by the foreclosure that took place last summer $5,000,000 and more of bonded debt was wiped out and the bonded indebtedness reduced to $9,375,000, which is the present amount, and the average rate of interest was about four and a quarter per cent; a little less than that now, but it will be about that. I say the bonds were wiped out; they were given stock, and I will give you an idea as to the value of that property in the estimation of people who know the most about it. The people that held these bonds were offered stock in the reorganized company in exchange if they chose to take it by paying five per cent assessment. It is true that a large proportion of them made the exchange and took stock and surrendered their bonds, but a great many preferred not to and sold their privilege at the two and one-half per cent, from that to five per cent, and some have not seen fit to exchange at all. There is half a million or thereabouts of the bonds still outstanding where the parties do not care to pay five cents on the dollar and take stock.

Senator Wagner:

You say you appear here in the interests of the Grand Rapids & Indiana R. R. In what capacity do you appear?

Mr. O'Brien:

General counsel.

Mr. Wagner:

Are you a stockholder of that road?

Mr. O'Brien:

Yes, sir; I bought $4,000 worth of the stock and paid two and one-half per cent for it.

Senator Wagner: (Addressing Mr. Hanchett.)

I would like to ask Mr. Hanchett also, if he is a stockholder of the F. & P. M. road?

Mr. Hanchett:

No, sir, I never have been.

Senator Wagner:

You appear in the capacity of attorney?

Mr. Hanchett:

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Yes, sir.

Mr. O'Brien:

I never had any stock in the old company and only took this a few months ago.

Mr. Atkinson:

Mr. O'Brien, if there is no objection, I would like to ask you about the taxes? Your road runs into Indiana, if I understand it?

Mr. O'Brien:

Yes, sir.

Mr. Atkinson:

What do you pay a mile on your road in Indiana?

Mr. O'Brien:

Now, I cannot give you the amount, Colonel, but it is somewhat larger than we pay in Michigan.

Mr. Atkinson:

Is it not at least three times as much?

Mr. O'Brien:

Oh, no.

Mr. Atkinson:

Well, is there any way we can get at that?

Mr. O'Brien:

Yes, I can send it to you.

Mr. Atkinson:

If you will, send it to the committee. There is another question, you have a very large land grant with that road?

Mr. O'Brien:

Quite large.

Mr. Atkinson:

About a million acres.

Mr. O'Brien:

No, I think about 800,000 acres.

Mr. Atkinson:

And at that time you agreed to pay one per cent on the cost of that road?

Mr. O'Brien:

I never knew it until you just read it there.

Mr. Atkinson:

You had forgotten your agreement?

Mr. O'Brien:

I think the next legislature repealed that clause.

Mr. Atkinson:

Not the next. It was not repealed until after you got the land.

Mr. O'Brien:

When was that?

Mr. Atkinson:

As soon as you got title to that land then the act requiring you to pay one per cent was repealed, but do you not think that in all honor the railroad company ought to keep this agreement with the State?

Mr. O'Brien:

It was repealed.

Mr. Atkinson:

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Then you think it was proper to come in after you got your consideration and got the public land of the State for the legislature to remit the amount that you agreed to pay?

Mr. O'Brien:

We don't ask you to remit it.

Mr. Atkinson:

You have had it remitted, and you ask us not to restore it.

Mr. O'Brien:

No, I am not asking anything on the subject. It is altogether new to us.

Mr. Atkinson:

You ask us if we have to raise the tax to put it on as a poll tax on the laborers and double up the farmers' tax?

Mr. O'Brien:

Yes, sir. I would have them pay a little.

Mr. Atkinson:

Is is true as stated in your report that your indebtedness now is about $23,000 a mile?

Mr. O'Brien:

I do not know. It is $9,375,000.

Mr. Atkinson:

I see it is figured in the report. Now that is more than your entire road is worth, isn't it?

Mr. O'Brien:

No, sir.

Mr. Atkinson:

Is it worth $23,000 a mile.

Mr. O'Brien:

Well, I don't know, I think that the road for the next 10 or 15 years will pay an interest of 4½ per cent on $9,375,000.

Mr. Atkinson:

This indebtedness is what built the road, the stockholders did not pay anything did they?

Mr. O'Brien:

I don't think they ever did, and they never got anything, it is a stand-off.

Mr. Atkinson:

Didn't they get a land grant?

Mr. O'Brien:

No.

Mr. Atkinson:

What was done with that?

Mr. O'Brien:

Well, Colonel, that is a long story.

Mr. Atkinson:

Well, I will not bother you to take up too much time because I have the history myself.

Mr. O'Brien:

There is something which I better say, and you will be your own judge as to the morality of the transaction. It was a case of necessity at all events. In 1868-9 the Grand Rapids & Indiana R. R. Co. was struggling to build its lines. Through the patriotism of the farmers and others, between Kalamazoo and Fort Wayne, a great deal of work had been done,

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and stock had been issued in payment of that sort of thing; but they had got so badly in debt that they had no credit or character left, but in the spring of 1869 they went into the hands of a receiver, owing over two millions of floating debt, unable to sell their bonds which had been hawked about and stolen and spouted in New York, and finally a construction company was formed in Philadelphia or New York of which Mr. Samuel J. Tilden was the head, and to induce them to take hold of the construction of the road they gave them the grant, and they furnished the money to build the road. The road proper never got a dollar from the land sale.

Mr. Atkinson:

Were the stockholders members of the construction company?

Mr. O'Brien:

No, I do not think they had a thing to do with it. The stock was never good for anything.

Mr. Atkinson:

Was that company incorporated in this State?

Mr. O'Brien:

No, under the laws of Pennsylvania. And do you know, Colonel, they never made any money out of it. When they had finished building the road they were in debt between two and three millions of dollars and borrowed the money, and to secure it issued their own debenture bonds, and secured it on this land grant as they should get it and with the other stock they had.

This indebtedness is still partly unpaid and the stockholders of the Continental Improvement Company, I think, have never had a dividend, but bear in mind when this transaction took place, the company was in the condition I refer to. There were bonds they issued to build the road of $8,000,000 and half of them were guaranteed by the Pittsburg, Fort Wayne & Chicago road. They were made October 1st, 1869, at 7 per cent gold interest, running thirty years, and were sold at 84 cents on the dollar, and the $4,000,000 not guaranteed sold for a little less. It seems to me strange when we can look at it, in the light of cheap money today.

Mr. Atkinson:

You are now carrying that indebtedness and trying to pay interest on it?

Mr. O'Brien:

No, sir.

Mr. Atkinson:

Has that been wiped out by foreclosure?

Mr. O'Brien:

There was $5,000,000 wiped out.

Mr. Atkinson:

So that you report your present total liabilities at a little over ten million dollars.

Mr. O'Brien:

Well, the bonded debt is as I gave it to you, $9,375,000.

Mr. Atkinson:

I see that it is given in the report in that way.

Mr. O'Brien:

It may have been done since the report was made.

Mr. Atkinson:

This report was made on the 1st of January, 1897.

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Is there any other gentleman who would like to address the committee?

Mr. Savage:

Inasmuch as the House took a recess until 2 o'clock this afternoon I would move that we adjourn until 2:30.

Mr. Blakeslee:

That would not accommodate the members of the Senate committee as we have a meeting of the Senate at 2 o'clock. We might perhaps meet with you at 3 o'clock.

Mr. Atkinson:

I would like to inquire of the Secretary whether there are any other gentlemen who have signified any wish to be heard by the joint committees.

Mr. Blakeslee:

I do not know of any. There are none who have spoken to me. I see Mr. Russell is here and I understand that there are several others.

Mr. Atkinson:

Judge Russell, do you care to be heard by the joint committees?

Mr. Russell:

Do I understand that you are going to adjourn until 2 o'clock?

Mr. Atkinson:

No, if there are any more gentlemen who would like to be heard we will probably adjourn until 3 o'clock.

Mr. Russell:

That will suit me.

Mr. Blakeslee:

Mr. Chairman, I move that we adjourn until 3 o'clock this afternoon.

Thereupon the Chairman declared the meeting of the joint committees adjourned until 3 o'clock.

AFTERNOON'S PROCEEDINGS.

Mr. Atkinson:

The joint committees will now come to order.

I believe Mr. Russell is here and desires to address the committees.

Mr. Russell:

Gentlemen of the committee—I am here at the request of your joint committees, and as a representative of the Michigan Central Railroad Company. That company, as you are aware, operates a main line of road between Detroit and Chicago, existing under a special charter or contract made with the State, 221 miles in Michigan, and also operates over nine hundred miles of railroad in this State under the general railroad laws.

I submit at the outset a proposition which I would not hesitate to submit to any dispassionate and unprejudiced body of men—that the method of taxation now imposed upon the railroads in Michigan is as philosophical and as judicious and as beneficial in results to the State as the method of taxation of such corporations in any other State or country.

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I say, gentlemen, that any person who will take the time to look into this question dispassionately, without having political objects in view and without desiring to make a point in advance, will reach that conclusion. There has been a considerable inquiry raised and discussion as to this important question in the State of Michigan and there are diverse views upon it, but I say at the outset that when the method of imposing taxes upon the railroad corporations as now prescribed by the laws of Michigan has been investigated it will be approved and will stand. It was once investigated by a commission consisting of the railroad commissioner and delegates from other States of the Union and foreign countries, and the result of that conference and their study of the question, that is, by men acting entirely disinterestedly, was that the method in Michigan was pronounced the best of all that had been submitted or considered by the convention, because it yielded in the simplest manner and at the most economical cost of collection the best results to the State. Understand me, that today, under the present laws of the State of Michigan, you get, in comparison with other States, as good or better results than any other State or country.

The per cent of taxes upon net earnings in Michigan is the greatest in comparison with nearly all other States, excepting New York. In New York State, as it will occur to all of you here acquainted with the geography of the country, the population and the business of that extensive empire prevents a comparison with the State of Michigan. The measure which calls us in conference here today, as stated by its proponent, will raise for the State of Michigan the sum of nine millions of dollars of taxes. Now in the beginning it is necessary for us to understand the history of this legislation. The Legislature of Michigan was called in special session for the purpose of considering the taxation of corporations, in accordance with a message to be submitted. You are assembled to consider a question that never was before presented to any of you, or anybody in the State of Michigan outside of the proponent and his own cabinet. What will be the result of such a measure? Nine millions of dollars, its proponent says. His most intimate adviser says it will yield only five millions of dollars. It is clear that there is very meagre knowledge as to the measure. Some claim that the method of raising the taxes proposed will bear harder upon the weaker companies, others upon the stronger companies. If it will raise five millions of dollars it is in the first place an amount unnecessary for the revenues of this State, and is in conflict with the constitution, which provides that only a sum sufficient for the revenues of the State shall be raised.

In the second place, it will practically swamp these railroad companies. The prosperity of these corporations and their interests are identical with the prosperity of the State, and that is not only true of the State at large, but with each locality, and you gentlemen representing the State of Michigan, with the power conferred upon you by virtue of your election, have these interests in your hands.

As was stated by my distinguished associate this morning you have almost unlimited power with respect to taxation. I therefore ask your respectful attention. The entire net earnings of the railroads of Michigan for the year 1896 was only $5,394,000. The last report as you are aware is not for 1897, it is the railway companies report for 1896. It shows a business which is almost equal—and it is a remarkable similar-

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ity—with the returns for the year 1895. You all know that business in 1895 was dull and it was hard sledding for railroads and we had not recovered from it in the year 1896.

Let us give praise to him to whom praise is due for the revival in the year 1897. The report for 1897 will show a considerable increase in the business done by the railroads in Michigan for that year. Therefore, gentlemen, when the reports for 1897 come before you you will see that there will be, as I think, something in advance of five millions of dollars net earnings for that year. It is impossible to calculate it now. Eighty-two per cent of the gross earnings of the railways in Michigan in the year 1896 was consumed in the operation of the roads, whereas in Minnesota it was only 52 per cent. In other neighboring states you will find that it is 59, 65 and 73 per cent. Therefore, the earnings for the year 1897 will represent but little more in the way of net earnings than 1896 or than the amount of taxes which it is stated will be imposed by the proposed bill and the railway companies will have to pay nearly all of the total amount collected from the companies named in the measure.

A measure which its promoters announce will produce such a revenue is not a just measure and should not receive consideration at your hands. If the only persons who have had opportunity to study the measure are correct in their estimates it will take the entire net earnings of all the railway companies in Michigan, and it ought to receive the seal of condemnation at once. But it is said that the measure is modeled upon the tax law of our neighboring state of Indiana. They have a tax law in Indiana which is not like the method in Michigan, but it is about as far removed from the method in Michigan as it is from the plan of the bill which you are directed to pass. In Indiana the property outside of the railroad and its appurtenances is assessed locally in the localities where it lies. The value of the railroad itself, the right of way, and the shops, buildings and personal property appurtenant to the railroad, is determined by a board consisting of the Governor and a couple other state officers and two commissioners appointed. This board equalizes and determines the value of all the property used for railroad purposes. The duty is imposed upon this board in fixing such value, to take into consideration the reports of the railroad companies. The report which goes to that board is very similar to the report required of the railroad companies in the bill now proposed. It gives very full information as to all the property and assets of the companies, but no information is given to them with respect to expenses. This board fixes the value of the road, having before them these reports as to the earning capacity of the company, and when so determined, they return the valuation to the various assessing boards, the county, township, the city, as the case may be, and the local authorities put upon their rolls the valuation thus fixed by the state board and assess taxes thereon at the local rate and collect them. It was found as a result of direct local taxation in the state of Indiana that there was such a discrepancy in the value in the different localities that for the sake of uniformity this central board was authorized to determine the value of the railroad property. Now what have we in the bill before us? We have here a board in the first place appointed by the Governor without the advice of the Senate or without the advice of anybody. I understand however that there will be no insistence upon this point, that the board may be appointed in whatever way seems best.

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And it will be assumed that if you should pass this bill you will devise a proper method of getting good men upon the board. But when the board is appointed, supposing they be the most intelligent, fair and conservative men in the State, then what are they called upon to do? As I understand it, in the first place, they are to determine the value of all the realty and personalty of every kind belonging to the railroad companies at its true cash value. And I do not attach any undue significance to the words "true cash value" as distinguished from the value to be put upon other property. The words are undoubtedly taken from the constitution of the State. Every assessor in this State, if he performs his entire duty, must assess property at its true cash value. But this duty will be imposed upon the board and I submit, that when it comes to railway property as everybody knows it will be assessed at its true cash value in the literal signification of the words.

They are to assess all the realty and personalty thus; then they are in a measure to add to that or determine that value having the knowledge and taking into consideration the earning capacity of the company. That is, to take into consideration all the facts shown in the reports. And, gentlemen, it does not stop there in this bill, which is different from the law of Indiana and different from any law which I have been able to find. Then comes section 13 of this bill, which says that the board shall take the franchise of the company and consider it as property and fix a value upon it and add it to the value they have thus reached. Now, gentlemen, we have got here? Is there any doubt in anybody's mind that under such circumstances there will be a determination of the full cash value of all the railway properties in Michigan plus the earning capacity and plus a valuation which in their own discretion the board will fix upon the franchise, we will have property and the capacity to earn, and in addition the right to exercise that capacity to earn. This franchise is intangible, it is something that cannot be imagined in itself. It has no value separate from the capacity to earn and the capacity to earn without it has no value. It will be as elastic in the hands of the board as friendship, as elastic as political feeling, as elastic as the conscience of the board. Then, when they have fixed the value thus, the average of the taxes throughout the entire State is taken and applied to that amount. Now, gentlemen, as long as human nature exists, will it not be an inducement for all of the assessors in all of the localities of the State to reduce assessments and raise the rates under such circumstances. Will it not be considered a legitimate thing to do; under ordinary circumstances it amounts to the same thing to a locality because if they drop the assessment or raise the rate they have the same amount of money, and under the extraordinary circumstances which will then exist it will be largely to their advantage.

With carriers in Michigan subject to such a method of taxation I submit it is about as far from the equal taxation as can be imagined. I think that is a fair statement of the bill before you, as it is now; and of course intimations have been given that there will be amendments made to meet the deficiencies—constitutional objections suggested, but those are the substantial things which it seems will be insisted upon in this bill; it seems to me, under the lash, you are called upon to vote for this measure.

Now what are the conditions in the State of Michigan which call for

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this hasty action upon so important a question? It cannot be claimed that the railways of the State of Michigan are profitable enterprises, in any respect. Out of the fifty corporations in the State of Michigan there are nine whose gross expenses are greater than their receipts. There are only about 11 that have been able to declare any dividends—make and dividend—the others have been able simply to meet their expenses; a state is well served with respect to its carrying facilities—with rates, as low as in any place if not lower than in most places in the world, both with respect to passenger and freight rates. The railroad property is fully taxed in comparison with railroads in other states and countries. Let me go over the figures hurriedly; of the fifty railroads operating in the State of Michigan, in the case of nine, the operating expenses exceed the receipts. The deficit was $355,000. And the other 41 companies, the total excess of earnings over the operating expenses was, including taxes, five million nine hundred thousand dollars. The net earnings over the operating expenses on the Michigan business were five million three hundred and ninety-four thousand dollars.

You are aware, gentlemen, from the suggestions that have been made to you with respect to the land grants and with respect to the construction of railroad companies and of the vast amount of money that has gone into them, of the cost of the railroads in Michigan. A railroad is built, we will assume today, at the rate of ten thousand dollars a mile. In a few years its rails are renewed, its bridges are renewed, and the vast betterments and improvements go into the property, and this is added to the cost of construction. It was found on some of the railroads 10 or 12 years ago, the leading railroads of the country that adding this construction account to the cost account of a railroad would amount to an appalling sum, and it represented in no wise the property, but represented millions of dollars of property that had been thrown away and passed into oblivion. With the report as shown in Michigan as $300,000,000 as the cost of railroads is a vast problem to handle, a very difficult one to calculate, but I think that if a careful appraisal or estimate was made of the values of this property, and placed against the cost it would be far less than that. Now, if you come to interest, when you consider the shrinkages and the bankruptcies and the foreclosures that the railroad companies of Michigan have gone through, it being a fact that almost the entire list of companies with the exception of the Michigan Central, have passed through the breakers, you will find the bonded debt of the railroad companies in Michigan today, approximates very closely a fair amount of what you might call working capital. The interest is about $10,000,000 on a rate of four per cent. In Michigan the gross earnings in 1896 were $29,000,000. The operating expenses were $23,000,000, showing the net earnings five million three hundred thousand dollars. The gross earnings per mile were $3,700 in Michigan. The gross operating expenses were $3,045 per mile. By force of circumstances, the railway managers have been driven to practice every economy in Michigan, yet no complaint has ever come with respect to wages paid—no shippers come before your bodies complaining of the railroads. I call your attention, gentlemen, to the investigation held by this Legislature within a year, in which this subject was thrashed out, and the result of it was that my friend Col. Atkinson found that there was some trouble in Michigan in the rates on heifers. As the result of that investigation made last year, if you read the report, it shows

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there was nothing unless it was in favor of the railroads in Michigan except they fixed the rate at four thousand pounds on heifers, and I am told by railroad men that they would rather carry 8,000 pounds of hay at the same rate, they could carry that easier in the car, than they could the live heifer boxed off as she is in the car. The amount of taxes paid, was $741,000, two and six-tenths per cent on gross earnings and about thirteen and seven-tenths per cent on the net earnings in the State.

Now, why is it, that this State has to go through this upheaval, of a special session of the Legislature, called to consider this question of taxes, when, within one year, at a session of this Legislature a very large advance was made in the taxes upon Michigan railroads and no collection yet made under that law? By the terms of the act of 1897 the taxes for the year 1896 would be increased nearly $200,000—in round numbers about $200,000. And applying it to 1896 the taxes would be nearly $940,000. And unless I am very much mistaken, gentlemen, for the year 1897 that the taxes accruing to the State will be almost one million of dollars. Under that law the total tax being $940,000, the railways of Michigan would have paid three and two-tenths per cent of their gross earnings, or seventeen and four-tenths upon their net earnings. Now, if you can carry in your minds, gentlemen, these figures, that in Michigan, for the payment of $741,000 on a business where the net earnings are only five millions, there was two and six-tenths of the gross earnings, and thirteen and seven-tenths of the net and three and two-tenths under the present law upon the gross and seventeen per cent on the net earnings.

Now, we come to Ohio. In Ohio the gross earnings of the railroad companies in that state were seventy-four millions of dollars as against twenty-nine in Michigan. The gross expenses were only forty-nine millions leaving the net earnings twenty-four millions of dollars as against $5,300,000 in Michigan. The taxes paid in Michigan on $5,300,000, net earnings was $740,000. In Ohio on $24,000,000, net earnings of $2,300,000. That is three per cent in Ohio on the gross earnings and under the law of 1897 the taxes in Michigan will be three and two-tenths per cent. On the net earnings in Michigan we would pay thirteen and seven-tenths per cent, and 17 per cent under the laws of 1897, and in Ohio there was only nine and one-third per cent on the net earnings. The system in Ohio is practically local taxation with supervisory control of the assessment in a state board. I am reading these figures to you for a double purpose; in the first place, to show that under the proposed bill the taxes raised will be greater than in richer states, both in amount upon the ratio, and also to show you that it is not true, that the method now obtaining in the State of Michigan does not give proper results and that it ought to be changed. If you will go into the other side of the question; if you will look at this matter intelligently and weigh it, you will see it is an important matter that ought to be considered with full time and with reports before you, that then many a man who today is opposed to it, many another man who is in doubt, will say that those men who pronounced our Michigan system the best were right and will not be in favor of making any change in the system of Michigan in this matter of taxation.

When you come to New York, the gross earnings in that state are $210,000,000; the gross expenses were $146,000,000; the net earnings

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were $64,000,000. I want to say in connection with New York, it has been impossible to get the figures for that state only. This report is on railroads running into New York; the entire systems; the taxes paid were $7,700,000 and the net earnings $64,000,000.

The New York taxes must have been something less than $5,000,000; but taking the entire systems given by the report, we have net earnings in New York twice the gross earnings in Michigan—$64,000,000, the net earnings in New York state, and $29,000,000 gross in Michigan. Michigan paid a greater percentage of tax on its net earnings. The percentage of net earnings in New York being twelve and fifteen one hundredths per cent, whereas in Michigan under the former law it was fourteen and under the existing law it is seventeen.

In Massachusetts the gross earnings were $74,000,000 and the gross expenses $52,000,000, the net earnings being $22,000,000 in Massachusetts and the net earnings per mile $3,584; that is more than the gross earnigs in Michigan. On the net earnings in Massachusetts per mile within that state, they paid sixteen and one-third on the net. The system in Massachusetts, gentlemen, has a fixed rate percentage I think of one-half of one per cent, or something of that kind on the actual value of the system.

Mr. Atkinson:

Isn't that $35,000, instead of $3,500?

Mr. Russell:

I beg your pardon?

Mr. Atkinson:

You stated an average.

Mr. Russell:

$3,500.

Mr. Atkinson:

Is that the net earnings?

Mr. Russell:

$3,584 a mile.

Mr. Atkinson:

The net earnings?

Mr. Russell:

The net earnings, yes, sir, of Massachusetts; $3,584 a mile.

Mr. Atkinson:

Then what did you give as the percentage paid on that?

Mr. Russell:

The percentage paid on that, I didn't figure the precentage; the percentage of the net earnings I said were sixteen per cent in Massachusetts, and in Michigan we will say fourteen.

Mr. Atkinson:

They put it at $600—there must be some mistake in your figures.

Mr. Russell:

Net earnings per mile sixteen per cent of $3,500. I can verify the figures, at any rate.

Mr. Atkinson:

Have you the reference there?

Mr. Russell:

I have got some other figures that will show it per mile. In Iowa—but before I go to that—the mileage there is a thousand miles more than

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in Michigan, the gross receipts were $41,000,000 as against our $29,000,000. The gross receipts in Iowa, $14,435,000. The taxes paid in that state were $1,370,000. That is the percentage of the gross taxes in Iowa with such earnings as that of three and seven-tenths per cent on the net earnings as against our fourteen or seventeen as the case may be.

It is impossible for us to get the figures from the State of Indiana except in a comparative way. My friend, Mr. O'Brien, was counsel for the company and I have inquired with respect to their property. The tax in Indiana per mile is somewhat higher than it is in Michigan. With respect to the Michigan Central Railroad Company, which has in the State of Indiana 41 miles of the very finest property in its system. Let us take for a moment the Pennsylvania Company, the great Pennsylvania Company, one of the most powerful corporations in this country and the wealthiest, and it is well to bear this in mind with respect to making comparison, especially in the matter of rates, of Illinois, Indiana and Ohio as against Michigan. Michigan has across its State two trunk lines, the Michigan Central and the Grand Trunk. Each of these other States have some of them nine and others of them six or seven of the great trunk lines of the country, and very vast investments are made there, they go across as you can picture them in your mind from Chicago to the seaboard, running transversely, with large cities and towns and great improvements, developments and expenditures made. Among the strongest of the trunk lines is the Pennsylvania Company, that is, the western end of the Pennsylvania Railroad from Pittsburg to Chicago, and I find that in the State of Ohio that company pays a tax in Ohio on 1,200 miles of railroad of five hundred and ninety-four thousand dollars, for 1894, and $677,000 for 1895, that is about five hundred dollars a mile; 1896, $564 a mile. In Michigan the Michigan Central paid under the former law $620 a mile as against that. In the State of Indiana the Pennsylvania Company paid $467 a mile for 1895, and 592 for 1896.

An investigation of these figures, and I cannot worry you with any more, if you will take time and take them up in an intelligent manner, and in a fair and unbiased way, you will find under the present method and rate of taxation in Michigan, that the railway property of Michigan yields sufficient taxes, with respect to its value.

A railroad company is organized, and as the story of the experience of Michigan teaches us, millions of dollars are poured into the investment, from which little, if anything, comes out. There may have been magnificent land grants given to the railroad companies in Michigan, but the proceeds of the land grants went into the investment, and more money, I take it, than came from the land grants came from foreign sources, and was poured into the Michigan company, and yet the result is what you have seen in the last ten years, and what there is today in the way of an investment.

Is not this a fair statement? Railways of the State of Michigan are permitted to engage in business under such restrictions as the Legislature of the State imposes.

Now, with respect to taxation and with respect to the imposition of any other burden upon property of such a kind, is it not reasonable for you to say how much of the amount we permit you to earn will be deducted for the support of the State? It is true that years ago the railroads of this State, when first built, paid a greater proportion of taxes than

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they do now, but the change that has occurred does not come from the rates, it is easily explained by an examination for a moment of the magnificent wealth and development of the State itself. Compare the estimated value of the property of the State of Michigan at that time with what its valuation is now. Compare it and you will see that the proportion is vastly greater, and that the increase of wealth in this great commonwealth is greater than of those carrier systems. And I say the amount paid by the railroad companies of the State today is more than its proportion of the whole of the taxes.

It cannot be shown that I am wrong unless the reports of these railroad companies have been dishonestly made. So, gentlemen, if you can find that the railway property in Michigan as such under the burdens which you put upon it and the rates which you make in connection with it—for that must be its test of values, are not paying their just proportion of the taxes, then, gentlemen, it is for you to say to them that the rate of taxation shall be increased to such a point that it shall pay the same as other property in the State.

Nobody disputes the proposition that has come before the State of Michigan in favor of just and equal taxation. You have produced here the petitions of some sixty thousand. Why do you stop at sixty thousand? Such petitions should only be limited to the population of the State. Is there any sensible man in the State who will say that he is not in favor of just and equal taxation?

The railway companies come before you, they have got to come with the rising and setting of the sun, their investments have been made and devoted to that purpose, and have got to pay their fair share of the taxes whether willing to do it or not. Is it possible that they are not doing it now? What figures have you got, what showing has there been made in all the vast amount of literature that you have had upon this matter as against the present method of taxation to show that it is not a fair rate and the best method of taxation? The statement is made that it is not right and ought to be changed; but on the other hand we have had the good experience of all these years.

Recent mention has been made in regard to the land grants. The question was asked here this morning of my associates by the chairman as to the payment of the tax under the original land grant. In 1857 the State of Michigan did not give away any land to the railroad companies because it did not have any to give, but the State of Michigan as such was made the channel or the means of communication from the general government of the United States to grant certain lands in order to develop and build up the State of Michigan. In those times there may not have been honest men, they may have been a pack of rascals that governed the State of Michigan, but at that time they thought they were doing the right thing, they thought that the way to develop a state was to make those grants to the railway companies, and so they made this grant of 1857 to build up the State by encouraging the construction of the railroad companies. Now, as stated, there was put in the act this provision, one per cent upon the entire cost of the railroad and two per cent more upon the gross earnings if the State saw fit to do so. Now one would infer that the Flint & Pere Marquetee Railroad Company and the Grand Rapids & Indiana Railroad Company, entered into an agreement at that time to pay this and they got their lands, and defaulted in

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their payment. The question was asked, did the State make any breach in the agreement? I do not know that the State in any way made any breach in that agreement. I do not think they did, I am a citizen of the State of Michigan and I am proud of the State, and I think that the record of the State of Michigan in the course of its legislation has been a credit to the people of that commonwealth. On a former occasion when I had occasion to mention facts which could not be controverted, showing the poverty stricken condition of the railway companies of Michigan it was denominated a scandal upon the State. When we come to talk about scandal upon the State, when it is said that the government for forty years have continued a period of plunder and spoliation there is a chance to talk about scandal. But gentlemen these men at that time thought they were doing right, and they made this grant running through the State of Michigan from the federal congress to the railroad companies to build up the outside sections of the State.

As my friend will learn, in 1859, the next year, that law was repealed, and the tax was put at one per cent of the capital stock and this was continued until it was made the same rate as the general railroad law of 1855. This continued until 1871, and until 1873, when our present general railway law was passed. Under the land grants made for constructing railroads in the Upper Peninsula they were unable to get any bids for the purpose of developing their projects. The grant was made of certain sections of land, they were unable to get bids for them until they were granted an exemption from taxation in the year '73, which was amended again in 1875; they amended again in 1877 and again in 1879, when they passed an act which at that time gave them sixteen sections, and gave them exemption from taxes for sixteen years if capitalists would go forward and build a railroad. I have no doubt gentlemen you know, and our friends from the Upper Peninsule will tell us, what benefit the construction of that road has been to them in that country, undeveloped as it was at that time, and I think it can be safely said, that from the money used in that investment there was never any returns. Since then a proviso was put in the railroad law so as to provide for an exemption from taxes for ten years, of all roads north of 44th parallel of latitude. No one would build a railroad north of the 44th parallel of latitude until the State passed a law exempting them ten years from taxes. You know that this section of the State was undeveloped at that time, that it was little more than a wilderness, that that law was repealed by the law of 1897. All these companies were thus protected as infant industries.

Mr. Gustin:

It was not repealed.

Mr. Russell:

Where do you find it in the laws of Michigan now?

Mr. Gustin:

I don't think it was repealed.

Mr. Russell:

I do not wish to make any mistake, a bill was introduced in the Legislature of 1897, an independent bill to repeal that law, but it was never passed. Now, in section 3 of article 3, of the general railroad law there was a provision providing that railroads north of the 44th parallel of latitude, which shall hereafter be constructed shall be exempt from taxation

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the first ten years, and in the law of 1897 that provision was repealed, so that the exemption no longer exists.

Mr. Atkinson:

Was that repealed expressly or by implication?

Mr. Russell:

Repealed expressly in a constitutional way.

Mr. Atkinson:

Constitutional?

Mr. Russell:

I was about to say something about rates, but I will not occupy your time farther on that subject. It is true I may say briefly, that in comparison with the year 1895 the year 1896 shows a somewhat increased rate per ton per mile, but the fact is that while the gross returns were practically the same in 1896 the economies were much greater. The Grand Trunk R. R. apparently reduced expenses $200,000 that year. In the year 1896 instead of being seventy-six-hundredths per ton per mile, it is eight mills. There is four-tenths of a mill increase. Ohio, now, has taken the lower place in rates. Ohio by reason of the vast coal shipments which were carried practically at cost that year, reduced the rates. The reason why in the inter-state commerce reports it appears that the average rates in the group of states is less than in Michigan, arises from the fact that the inter-state commerce commission make no difference between local and through rates, and in making up the average the vast amount of through business carried by the seven trunk lines of railroad through the states of Ohio, Illinois and Indiana, brings the average down, is because the proportion of the through is so much greater than the local, whereas, in Michigan, according to our system—I will not take the time to explain it to you—it is quite complicated and the commissioner of Michigan requires such reports of local and through rates that it brings the group average a little less than Michigan. But with respect to the service of the railway companies, and with respect to the rates for passenger service and freight service, and with respect to the care that is shown and the efforts that are made—and they are not unselfish gentlemen—the railway of course must take care of its shippers or it goes to the wall; we are as well served with railway facilities as any other place.

In connection with this matter in which you have listened to me so patiently, and with respect to this bill, I do not believe that an intelligent Legislature is called upon in any way to act without knowledge or notice or study upon a question of as great importance to the State as this is. Where the revenues of the State may be imperiled by your action, no time will be lost if the matter is not acted upon until you have intelligent information with regard to the bill. No time will be lost because if you see fit to make a change after you have an investigation and report before you, you can pass an act which will be operative as quickly as if you passed a bill now. In the meantime you will not be swapping horses crossing the stream. You have passed a law which will bring you in about a million dollars a year. You have never made a collection under that law, and this being the case what call is there to go into the upheaval of business interests? The business interest of the State goes hand in hand with that of the railroads, and if this bill goes through as it is, it means the swamping of the railroad companies. Now, I appeal to you as sensible men, as men who will consider a matter, before you act upon it, that there is no

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use of the proposed revolution in taxation. There is no call for it, and there ought to be no influence behind it i ı any way which would compel you to carry on such a war as this. If you want to fight anybody let us fight Spain and not our home industries in Michigan.

Mr. Atkinson:

Would any gentleman on the committee like to ask Mr. Russell any questions?

Mr. Thompson:

What do I understand you to say the united net earnings of the railroads of Michigan were during the last year for which you have a report?

Mr. Russell:

$5,390,000. I will give you the exact figures.

Mr. Thompson:

I should think that was near enough. Now, Mr. Russell is it not five millions three hundred and odd thousand dollars? Now it is claimed is it not, by this bill that it will produce an increased taxation of six millions of dollars?

Mr. Russell:

I haven't heard that. An officer high in the State says $9,000,000 and his chief adviser says $5,000,000.

Mr. Thompson:

Precisely. Then if $9,000,000 were confiscated and sequestrated out of the entire profits it would make a large hole in the principal, if these millions had been confiscated?

Mr. Russell:

It wouldn't make a hole in the principal. There is no principal, it would just make a hole.

Mr. Thompson:

On either of the claims as a result of this bill, it would sequestrate or confiscate the entire net earnings and the profits of the stockholders?

Mr. Russell:

It would take them.

Mr. Thompson:

It would absorb them.

Mr. Russell:

Yes, sir.

Mr. Atkinson:

May I ask you a question?

Mr. Russell:

Certainly.

Mr. Atkinson:

Who has stated that this bill would produce $9,000,000?

Mr. Russell:

Governor Pingree, I understand.

Mr. Atkinson:

Have you heard him say so?

Mr. Russell:

No, sir; that is the statement in the papers.

Mr. Atkinson:

Have you read his message?

Mr. Russell:

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Oh, certainly; with very great care.

Mr. Atkinson:

Was there any such statement in that?

Mr. Russell:

No, sir, but it was currently reported in the Detroit papers, and I know of no contradiction of it.

Mr. Atkinson:

Who said $5,000,000?

Mr. Russell:

Col. Atkinson, yourself. And I have heard no different from anybody else.

Mr. Atkinson:

When did I make that statement?

Mr. Russell:

It was reported in the newspapers—of course, we have to get most of our information in this matter from the newspapers, and it was said that the Governor had stated it would be $9,000,000, but Mr. Atkinson said that the Governor had put it too high, that it was only $5,000,000.

Mr. Atkinson:

What do you think this bill would produce at the average rate of taxation in the State upon a fair cash value of the railroads, bringing them right down?

Mr. Russell:

I cannot answer that. I have endeavored with a great deal of care to reach some figures in my own mind and I can only say to you that it is impossible for any person to forecast what the assessment of the value would be by reason of the fact of this new feature in the bill, as I call it, the duty imposed upon the assessors of considering the franchises as property.

Mr. Atkinson:

But the whole stock or entire stock of the companies in the State is say $300,000,000?

Mr. Russell:

$303,000,000.

Mr. Atkinson:

Now in the G. R. & I. we had a gentleman before this morning who says that he paid two and one-half per cent for his stock and the other stockholders paid nothing for theirs. What in your judgment would be the actual value of the railroads per mile, say?

Mr. Russell:

Well, I cannot answer, Colonel, with any accuracy. I can answer for some individual roads.

Mr. Atkinson:

Would they be worth $20,000 a mile?

Mr. Russell:

I think that much. We have 7,000 miles. I guess they would be worth that, that would be $140,000,000. I hesitate very much about this. Of course, to give you such estimates, but I will endeavor to do what I can.

Mr. Atkinson:

You have not figured at all on the actual results of this bill, but what you have seen in the newspapers or somebody said it would provide?

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Mr. Russell:

That is the only means of information I had. I think it would take a long time to go into the evidence to determine, and you cannot do it until after the assessment is made.

Mr. Atkinson:

Have the average rates in Michigan been increased in the last year?

Mr. Russell:

Yes, sir.

Mr. Atkinson:

About what would be the aggregate increase of rates last year in Michigan?

Mr. Russell:

On the average the increase was four-tenths of one mill—from seven and six-tenths mills to eight mills per ton per mile.

Mr. Atkinson:

And that would make a difference in earnings of about how much?

Mr. Russell:

I haven't figured it.

Mr. Atkinson:

It would make something over a million wouldn't it?

Mr. Russell:

Yes, applied to the earnings it would make about a million dollars.

Mr. Atkinson:

And do these high rates still continue with the period of prosperity that we are having?

Mr. Russell:

It is difficult just now to say much about the rates. I don't know myself just what the condition is with respect to rates.

Mr. Atkinson:

Now, is it not true that while the average of the group in which Michigan is placed by the Interstate Commerce Commission is eight mills and six-tenths, that the average in Michigan is eight mills and eight and one-tenth mills?

Mr. Russell:

Have you not got that wrong? Seven and eight-hundredths mills.

Mr. Atkinson:

Eight and eight-hundredths mills.

Mr. Russell:

Eight mills and eight-hundredths of a mill. Yes.

Mr. Atkinson:

Eight and six-hundredths of a mill in a group.

Mr. Russell:

Yes, in a group.

Mr. Atkinson:

In the Michigan Central charter the rate of tax was fixed in 1846?

Mr. Russell:

Yes.

Mr. Atkinson:

At three-quarters of one per cent upon the cost of the road, upon its paid-up capital, all money that went into construction, how much would that pay us now from the Michigan Central if it had been left undisturbed?

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Mr. Russell:
Well, in the neighborhood, I have not the amount before me. It appears in the reports.
Mr. Atkinson:
But it is reported out at about $25,000,000 that the Michigan Central paid.
Mr. Russell:
There wasn't that much used for construction.
Mr. Atkinson:
$25,000,000?
Mr. Russell:
No, it didn't amount to as much as that, I say. I say there wasn't that much used for construction.
Mr. Atkinson:
Would you be willing to pay the taxes on the basis of your old charter?
Mr. Russell:
Certainly.
Mr. Atkinson:
Instead of the law of 1893?
Mr. Russell:
Certainly, sir.
Mr. Atkinson:
You would be willing to have that change made?
Mr. Russell:
Certainly, sir. That is, would be willing to save the money—we would save money by doing it, but there are other considerations besides that.
Mr. Atkinson:
If your report is accurate and you have $25,000,000 in this State, three-fourths of one per cent upon that would make about $190,000, and you pay about $140,000.
Mr. Russell:
Yes, but your figures as to construction in the State are incorrect.
Mr. Atkinson:
I am only taking it from your report. Is your report right?
Mr. Russell:
Certainly, the report is in the Secretary of State's office.
Mr. Atkinson:
Of money used in construction?
Mr. Russell:
Of money used in construction, and a large proportion of that has gone into equipment, etc.
Mr. Atkinson:
Now, with reference to the franchise, would you suggest any language that would prevent—or first let me ask you, do you consider that this bill provides for double taxation?
Mr. Russell:
Yes, sir.
Mr. Atkinson:
Would you suggest the language that would prevent that?
Mr. Russell:
I don't know as I could do that off-hand, Colonel, I have not studied it up. I will say this, if in the wisdom of the Legislature they thought

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they must do something, that they could take the Indiana law and aside from the features with respect to the franchise fund; you took the Indiana law yourself, or somebody has in drafting this bill, and have engrafted in it this peculiar elastic feature.

Mr. Atkinson:

And this bill reads: "Shall assess the franchise and all other property of all railroad companies." Now, is that your construction of that; that it is doubling taxation?

Mr. Russell:

My construction of double taxation is this: If you are taxing the earning capacity and wish to add to that a tax upon the right to exercise the earning capacity you have a double taxation.

Mr. Atkinson:

Then do you think your company or the Michigan Central ought to pay only on its cars and road bed the same taxes to the State that the road from St. Ignace to Marquette would pay, or ought it to be assessed higher because it is a finer property and capable of producing an immense revenue, while the other produces a very small one?

Mr. Russell:

The Michigan Central Railroad company at all times has paid, of course, the highest tax in the State, and in the year 1893, at the request of the Governor and Legislature of the State of Michigan assented to come in under the terms of the general railroad law for all its system, and made an amendment of its contract to that effect.

Mr. Atkinson:

Now, Mr. Russell, that is not exactly my question. Do you think we ought to assess? Do you think it would be a fair thing to assess the road from St. Ignace to Marquette, with so little earning capacity as it has, on the same basis as we would assess the Michigan Central with its immense earning capacity.

Mr. Russell:

No, sir.

Mr. Atkinson:

Then to assess it otherwise, you would have to assess the franchise, would you not?

Mr. Russell:

No, sir; that is the earning capacity.

Mr. Atkinson:

Well, the earning capacity, that is the franchise, isn't it?

Mr. Russell:

It is the franchise, yes, sir.

Mr. Atkinson:

Well, that is fair, isn't it?

Mr. Russell:

Yes, sir, that is the present law—method of taxation in the State of Michigan.

Mr. Atkinson:

Well, if we wanted to assess the value we would have to consider that too, would we not? The earning capacity of a thing fixes its value to some extent.

Mr. Russell:

It does, most certainly.

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Mr. Atkinson:
And this is not double, is it?
Mr. Russell:
Beg pardon.
Mr. Atkinson:
I say this section then does not provide for double taxation.
Mr. Russell:
It certainly does, as I understand the bill.
Mr. Atkinson:
Section 13 says, the board shall also consider the franchise as property and determine its value and assess it. Do you consider the Michigan Central franchise property?
Mr. Russell:
No, sir; the franchise as such as I understand it to be, is the right that comes from the State to carry on the railroad business. It is not worth anything; you could buy one for $2.50.
Mr. Atkinson:
If we should exercise the right of repealing the franchise of the Michigan Central, you would not ask any damages?
Mr. Russell:
I would say that the franchise of the Michigan Central Railroad company as exercised in its earning capacity makes the value of that property.
Mr. Atkinson:
Don't you claim the right under your franchise to charge three cents a mile?
Mr. Russell:
We do; yes, sir.
Mr. Atkinson:
What are your local earnings from passengers a year?
Mr. Russell:
Why, I cannot tell you, Colonel. I can find out in a moment.
Mr. Atkinson:
They are reported at about $1,800,000.
Mr. Russell:
The report is right, sir.
Mr. Atkinson:
The Grand Trunk carries the passengers at two-thirds—two cents a mile. Is it not a part of your franchise, that makes you charge three cents, while the Grand Trunk only gets two?
Mr. Russell:
That is our grant, yes, sir.
Mr. Atkinson:
Now, if you have that rate, is it not worth something to have it—it gives you $600,000 a year?
Mr. Russell:
Our capacity to earn, certainly.
Mr. Atkinson:
It is worth something to you?
Mr. Russell:
Yes, sir.
Mr. Atkinson:

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If it is worth something to you, ought it not to pay taxes to the State?

Mr. Russell:

Yes, but you cannot dissever the right and the exercise of the right. The franchise, without having any railroad, is not worth anything, but if you have the earning capacity, the earning of so many million dollars a year, then of course the tax from that—the franchise——

Mr. Atkinson (interrupting):

Then your objection, Mr. Russell, is not to the taxing of the franchise, but the difficulty we will have in getting at it.

Mr. Russell:

My objection is that you dissever, you take, for instance, the earning capacity of a company, which I say fundamentally indicates the value of the railroad property, and then by another section having disposed of that, then you take the franchise. Now I will admit to you frankly that I do not know just what that franchise is.

Mr. Atkinson:

This bill authorizes the commission to subpoena witnesses before it; and supposing they should subpoena yourself and Mr. Ledyard as witnesses, do you think you would have any difficulty in swearing to what the value of the Michigan Central railroad was?

Mr. Russell:

No, sir.

Mr. Atkinson:

You think they could get it from you without any trouble?

Mr. Russell:

Yes, sir.

Mr. Atkinson:

And any other railroad expert would be able to give practically the same information?

Mr. Russell:

Yes, sir.

Mr. Atkinson:

There would be no trouble about getting at the whole value, securities and everything?

Mr. Russell:

Yes, sir, in any business you could do it going into an investment—the assessors could get at it.

Mr. Atkinson:

As I understand you Mr. Russell, you do not want the franchise assessed as a separate property from the other property. It should go with it.

Mr. Russell:

It should go with it, yes, sir.

Mr. Atkinson:

What I would like to know from you Mr. Russell, is, if this language does not cover that idea, because it was intended to assess franchises and property as an entirity, and if this language does not cover it, I should be very much obliged indeed to any of the counsel that have appeared here for the companies if they would suggest the language that we could use, because I agree with the counsel that the property and franchises should be assessed together, and that was the intention of the draughtsman of this bill, whether he has succeeded in expressing it or not; but if

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he has not, why any language that does express it will be cheerfully accepted.

Mr. Atkinson:

Has any other gentleman any questions?

Mr. Colman:

Colonel, how would you arrive at the true cash value of the franchise?

Mr. Atkinson:

My idea would be to assess the whole road as an entirety, including the franchise. I would not be confined to assess the cars and the road bed, but I would assess that property at what it was worth. There are many ways in which you could get at it; for instance the Michigan Central's shares are on the market; they are subject to certain bonds. Now you can see what is the market value of those shares and the bonds back of them and you have the entire value of the property, if you want to get at it in that way. You might also reach it by estimating what property would be worth that would earn three millions and a half net, as the Michigan Central does. There are a good many ways in which it might be reached, but it is not difficult in any way. The franchise certainly should be valued, in my judgment, with the other property, and if this bill could be construed into a separate valuation why then some other language ought to be used so as to guard against that.

Mr. Colman:

I would like to ask Mr. Russell one question: Mr. Russell it was stated in the Governor's message delivered to the Legislature last week, as I remember it, that the Michigan Central R. R. Co., falling back on its old charter, had refused to accept the provisions of the Merriman bill for the increase of taxation. That I think is a fair statement, at any rate it is as I understood the statement made by the Governor in his message. I would like to ask you as the counsel of that company whether that is true, whether the Michigan Central Railroad Company has as yet accepted the provisions of the Merriman bill, and if so in what manner; if not do they intend to, and when and how?

Mr. Russell:

The act of 1897 is an amendment to the general railroad law of the State of Michigan and in no wise affects the Michigan Central; therefore the Michigan Central could not in any way, by any written acceptance or any formal act on its part, accept that law.

Mr. Colman:

Do I understand then that the Michigan Central accepted the general law of 1893?

Mr. Russell:

The act of 1897, the so called Merriman bill, amended the general law of the State of Michigan by increasing on a sliding scale, or an ascending scale, the rate of taxation. It in no wise affected the Michigan Central charter, therefore the Michigan Central company as such could not by any formal act accept that law. If the Legislature had at that time amended the Michigan Central charter it would have accepted that amendment to its charter. Not having made such an amendment it could accept nothing, but it has been the intention of the Michigan Central Railroad, it is its intention, and will carry that intention out, to act under the Merriman law, and to pay the taxes in accordance with the rates named in the law of 1897.

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Mr. Atkinson:
How is that intent evidenced?
Mr. Russell:
Send your bill in for the taxes, Col. Atkinson, there is no other way. When you send the bill in for the taxes it will be paid and there is no other way.
Mr. Atkinson:
If that act does not apply to you wont the Railroad Commissioner be compelled to compute the taxes under the law of 1893. Do you intend to pay more than he computes against you?
Mr. Russell:
We intend to pay the taxes at the rates named in the act of 1897.
Mr. Atkinson:
Although he calls on you for less?
Mr. Russell:
I do not know as he would do that. But on the other hand there is nothing for us to accept. It would be an act of impertinence on the part of the Michigan Central Railroad Company to send any acceptance in.
Mr. Atkinson:
What I want to get at is this: Do you consider that the Railroad Commissioner of the State has a right, under the Merriman bill, to compute taxes at the rates named in that bill against the Michigan Central?
Mr. Russell:
No, sir, no legal right.
Mr. Atkinson:
Then if he cannot you will hardly pay more than he asks you to?
Mr. Russell:
We intend to pay at the rates named in that act, and if there had been an amendment to the Michigan Central charter, the same as in 1893 so there would have been something for the Michigan Central to accept, it would have accepted it.
Mr. Atkinson:
So notwithstanding the lower rate you will pay at a higher one?
Mr. Russell:
I would like to see the gentleman who is going to compute it at a lower rate when he can get a higher one.
Mr. Atkinson:
Do you consider that he has any right under the law to make it at the higher rate?
Mr. Russell:
No, sir.
Mr. Atkinson:
Then what you expect him to do is to make it at the lower rate?
Mr. Russell:
We expect to pay the taxes when the bills are presented.
Mr. Atkinson:
Well, that is one way of carrying on the tax business.
Mr. Colman:
I want to ask one more question. In 1893 this special law or amendment of the general law was accompanied by a bill amending the Michigan Central charter. Am I right on that?

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Mr. Russell:
Yes, sir.
Mr. Colman:
And that bill you accepted?
Mr. Russell:
Yes, sir.
Mr. Colman:
This law of 1897 was not accompanied by any such bill, therefore, you cannot accept the Merriman bill, but you propose to live under the Merriman bill.
Mr. Russell:
We propose to pay the rate of taxes as is prescribed in the Merriman bill. There is no question about that.
Mr. Thompson:
Some of us have got a little befogged about the meaning of a franchise. It seems to be an intangible something. You cannot weigh it, you cannot see it. But it seems to some of us that a franchise is a right of a railroad company to use its own property. Now, with that premise, Mr. Russell, I desire to ask you this question: If a franchise is a right upon the part of the railroad company to use its own property and it is taxed upon the gross earnings per mile, is that not a tax upon the franchise of the road?
Mr. Russell:
It is.
Mr. Atkinson:
That answer is correct Mr. Russell. (Laughter.) There is no great trouble in getting at that. Is there any other gentleman who would like to address the committee? Mr. Geer, are we to be favored with something from you?
Mr. Geer:
Mr. Chairman and Gentlemen of the Committee—I am sorry to say that I shall not be able to favor you with any argument that will be made by myself. I am here to confess that so far as the question that is now about to be considered by this body is concerned, I have not had time to give it such consideration as I should like, in order that I might be able to present to you for your consideration anything that might enable you to discharge your duty properly. I have been engaged by the Chicago & Grand Trunk Company for some time, but my duties have been in a different department than the operating department, or the questions that are involved in this bill, so far as taxation is concerned; and Mr. Meddaugh, its general counsel, who expected to be here today to advise you on behalf of the Grand Trunk system has been called away, but before leaving he prepared in writing a few suggestions which he desires, with your consent, that I now submit to this committee for your consideration. It has been prepared along the line of an argument to be considered by this body as a reason why in his judgment the bill now under consideration ought not to become the law of this State. And I believe, before I shall proceed to read this article that I may say—and I will venture to say—that many of the members of this body, and also members of the Senate have not had due time to consider this important question, and because of that fact I shall now read to you the paper which Mr. Meddaugh has prepared along that line. I do not believe that the members of this Legislature want to take action upon this bill

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unless in their honest judgment, after a fair and candid consideration of all the facts, and the effects it may have upon this State; and if in your judgment after giving it due and fair consideration you shall think that some other measure ought to be presented here and more time granted, I except, notwithstanding there may be some demand that there shall be immediate action, yet we will postpone it until such time as each and every member of this body may be fully advised when he shall vote that he is voting wisely for the interest of the State and for the interest of the road.

There ought not to be any controversy as between the railroads of this State and the people; their interests are identical; one has to serve the other. The road without the aid of the public would be of no value, and the people of this State I venture to say are not now desirous of disposing of the benefits of the road; and before I read this, I want to make one remark because it so happens that the road I represent was not built by any land grants, and there are many in this House, the chairman among others, who are well aware how that road was built and when it was built, how the public wanted it, how when it commenced at Port Huron and was built to the west up as far as Emmett, they had consumed all the money that could possibly be raised by subscription, and after it had remained there for a time, and had served the public as best it could between Port Huron and Emmett, the good people along the line came to its rescue again and contributed money until it was built to Capac and there it lay for a time until by subscription again it was carried to Imlay City, into Lapeer County, where it remained for upwards of six months. No land grants, the people responded again because they were anxious to have the road built, and it was finally built to Attica and from Attica to Lapeer, and there remained for practically one year, and every dollar, or practically every dollar that went into it was the subscription of the people along its line, and after it was built to Flint finally, it was connected together. Now, what were the conditions at that time? The people wanted it. Do you suppose that the Legislature that assembled in that year, in the year 1869, or for many years thereafter could have been induced to come in and say, that road ought to have been assessed upon any other basis than it was assessed? There must be some reason for this now, and what is it? While I have not studied this subject as much as I would like to study it, before coming before a body like this, to address them upon it; it seems to me there must be some reason, and while I have read what little I can upon the subject, I have never yet seen one word or one line, and I never heard one word, or anything said why there should be any change, that is at least, as it suggested itself to me. Now, there may be some reason, but it does seem to me before that step shall be taken, there ought to be due time, and there ought to be an opportunity to discuss it. This question is a new one. While it has been advocated for a short time since this body adjourned and before you were brought together again, yet it has been of a limited character, and because of that condition, I stand here representing this railway company, asking—aye, yes, believing—that there ought to be some step taken here, not that shall result in the passage of some act on this important subject but that some commission ought to be appointed; select such men as the people of the State of Michigan shall have confidence in, take men that are in no way connected with the railroad business, take men of high standing, and after you shall have selected such a committee, let it be extensive, let it pervade, if it desires,

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every county in the State, and when they shall have got together and taken proofs and carefully investigated the matter, if it then shall be in their wisdom deemed and thought advisable, then let a Legislature be brought together, where they may act, and act upon this important measure with intelligence. That is my judgment, and representing the general counsel of this road along that line, I desire to read the paper which he has submitted here, and which in my judgment, after you shall have heard it, will appeal to your good common sense, and along that line, that you cannot assess railroad property the same as you do other property, because of the relation which it stands to the public and the public to it are different; there is not only the fact that the Legislature can control its earning capacity, but they can prescribe police rules, and in addition to that, it stands one of the burdens which no other piece of property in Michigan can stand, that is, whenever you operate these railroads more or less accidents necessarily must occur, and whenever suits shall be brought against it, it is called upon to respond in damages; the railroads of the State of Michigan every year have to pay millions of dollars in personal damage cases. There are no such obligations against any other property, and no other property in Michigan assumes that, but in addition to that is the fact that railway companies are largely controlled by legislation; their revenues are prescribed and unless they have something over and above their operating expenses it is impossible to pay these judgments and it would be impossible to pay their taxes.

Some Reasons Against Present Increase of Railroad Taxation, With Incidental Comments on the Governor's Message.

"I concede that railroad companies should bear their just proportion of taxation. The question is, what is this just proportion? The Governor's notion on the subject seems to be that they should pay the same rate of tax on their value that is paid by other property. Is this notion correct? It is, if railroads stand in the same relation to the State and the public as the property of the merchant, the manufacturer, the farmer, etc. Do they stand in the same relation? Is not their relation to the public so different as to render unjust the application to them of the rule of equality in taxation?

First, Railroads are dedicated to the public service, and their owners are under obligation to render this service for a reasonable reward, with power in the Legislature to determine what is reasonable, and to prescribe it. Is the use of other property in the State, such as that of the merchant, the manufacturer, or the farmer, so affected? Clearly it is not.

We have here one very essential particular in which railroads differ from other property.

Second, The public occupies two quite separate and distinct relations to railroads, in both of which the public derives a direct benefit. From one it secures a reasonable rate of transportation for persons and property, and it is always in position to enforce this. From the other it secures money to the public treasury through taxation.

The public gets only one of these benefits from other property—namely, taxes.

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Suppose that the State owned and operated all the railroads within its boundaries. Taxes from that source would then cease altogether, as the State does not tax its own property. The only public benefit that would be realized from them would be in whatever reduction the State might find itself able to make in rates of transportation.

The public now receives a direct benefit from railroads in low rates, and these low rates deplete the revenue of the companies operating them. Unless these low rates are taken into consideration in connection with railroad taxation, and due allowance made for them, it is evident that the property may be subjected to double taxation; for when the earnings are reduced by low rates, such reduction is in itself in the nature of a tax. The public gets the benefit.

Under the existing system, the railroads are tapped at both ends. The public takes toll out of the grist when it enters the mill and again when the grist comes out.

But the Governor's message says that this affords no excuse for taxing railroad property at a lower rate than that which is paid by the owners of other property, and on the theory, as he apparently argues, that only a limited portion of the taxpaying public either rides or has traffic to ship. In this he entirely ignores the fact, universally recognized and admitted, that the selling value of every product of industry is affected by the railroad charge for transporting it to market, and indirectly through this the wages of those employed in its production are similarly affected. All this is so elementary as to be known by every tyro in political economy. Of course the Governor knows it, but overlooked it in the haste of preparing his message on the sudden emergency of an extra session.

The Railroad Commissioner of the State, in his report of 1894, speaking on this subject, said:

'The question of rates is one of universal interest and affects the great body of producers and consumers. The cost of transportation largely makes the per cent of loss or gain in the various industries of the business.'

The city of Detroit had a mayor once who approved an ordinance giving a street railroad company the right to lay and operate a railroad in very many of the streets of the city, in which the company was relieved from certain paving obligations that other existing street railroad companies were under, and this mayor was reported at the time to have justified the discrimination on the ground that the new company had bound itself to give lower rates to the public. If the mayor of Detroit was right, the Governor of the State is now wrong.

Third, Another difference between railroads and other property is that a railroad, once built and in operation, is dedicated to the public use, and must be operated so long as it is self-supporting; that is to say, so long as its earnings will pay operating expenses and maintenance charges notwithstanding that those whose money built and equipped the road may never receive one cent of return on the investment.

This is not true of any other property within the limits of the State of Michigan. There are railroads in this State today whose earnings in excess of operating expenses, under the most economical management, are not equal to one-half the interest on a low mileage of bond debt. Some of these roads can be bought for fifty cents on the dollar of their bond issue."

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And the Chicago & Grand Trunk Railroad system operates three of these lines—the T. S. & M., the C. S. & M., and the Air Line Road, yet they have to run whether they make or lose, they are bound to go and do go.

"Railroads are in the nature of public property; they partake more of a public than of a private character. About the only interest their owners have in them is the right to dividends, if there are any earned.

Fourth, Railroads are not permitted to stop operating when the business does not pay, as all other branches of business may. They must be run for the public good, i. e., in order that the goods of the merchant may be delivered; that the products of the farm and the manufactory may have a market, and that people may be carried to and fro for business and pleasure. Whether the volume of business is large or small they must run. Traffic must be moved promptly whether a full train is obtained or not. The public demand is imperative in this. Passenger trains must be run just the same when there is only half a dozen passengers to the car as when there are fifty.

The opportunity for economy in expenses is very limited. The pay rolls are large, and the wages of men, which are the largest item of expense of railway operation, and all supply bills, have to be promptly met. A certain amount of money must be had each month to discharge these perpetual expenses.

It is very frequently the case that the difference between the selling price of a commodity at the market and the cost price at the place of production is so small that there are no shipments of that commodity. All farm products are often in this condition. A reduction of the railroad rate is the only condition on which the traffic will move. This is a potent and constant cause of low railroad rates, as shippers will testify. The railroads must have traffic to live, even if the rates are so low as to pay nothing above operating expenses.

Is there any parallel in the foregoing particulars between railroads and other property? Are not the owners of property, of which the public thus has a beneficial use at the expense of the owners, fairly entitled to some consideration at the hands of the public in the matter of taxation, beyond what the owners of other property, of which the public has no such beneficial use, are entitled to?

Fifth, The State not only determines what the companies operating railroads may charge for their service, but it also prescribes the manner of conducting their business in many particulars, thereby adding greatly to the expense of it. All this is done by the State, on the theory that it is for the public good, and much of it undoubtedly is.

The management of other property and business is not so interfered with.

It has been urged in reply to the foregoing, that omnibus companies, and certain others whose business is of exceptional character in respect to the public, are equally subject to state regulation and control, and therefore, according to the argument, have equal claim with the railroads to consideration in reference to taxation. The first answer to this is that, if it be conceded that the branches of business named are subject to state regulation and control, the practical fact is that the State does not exercise the power of limiting their charges. But if they were all actually under a statutory limitation of charges, this fact would not be any answer to the contention I am here making, unless it also appeared

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that these several businesses were unremunerative to their owners. Furthermore, to compare any one of such industries, or all of them together, with the great railroad systems of this State, in reference to the public benefits afforded, is to trifle with the subject. They are, in fact, all made profitable, directly and indirectly, by the railroads, as are all other industries in the State.

It has been stated that the low railroad rates which prevail in Michigan are the result of competition, and not of legislative interference. This is in part true, no doubt, but not altogether so. But what difference does it make whether low rates are produced by the State or by any other coercive force, in reference to the question under consideration? The public at large gets the benefit of the rates, and this general public benefit, which is not produced either in kind or degree by other property or business, and in which all other property and business of the State share, constitutes the basis of a just claim for a lower rate of taxation for railroads than is imposed on other property."

In my judgment no man is sufficiently able in this force to answer that proposition. It cannot be maintained that railroad companies burdened and controlled as they are, when no other business in Michigan is, that different rate ought not to exist as between them and farm property, or any other property. And this is a point in my judgment that cannot be answered. It seems to me that the logic is irresistable that they must make something, they must make earning expenses, operating expenses, and whenever there should be anything over and above that if they are paying too large dividends it may be reached if their taxes are not high enough, but not until there shall be something over and above the operating expenses, and to pay a little at least of its interest. I am now speaking for my own company especially, and insist that the taxes are as high as they ought to be.

"The remunerative business that a vast majority of the great industries of the State are today doing, while the railroads on which their prosperity depends are operated at a loss to their owners, is rendered possible by the existence of the railroads and the low rates they give.

The message of the Governor arrays figures to show that, since 1871, railroads have paid less tax in proportion to value than other property. If this is so the only explanation is the hypothesis that, until the present administration, the theory of the State has been that raliroads partake largely of the character of public property in the fact that they are devoted to the service of the public; that they promote, in a way and degree that no other property or business does, all other industries of every character and kind, all other property being greatly benefited by them, and that these facts not only warranted, but in justice demanded, that their tax burden be made lighter than that of other property.

But while roads have apparently been paying a lower rate, have they been doing so in fact?

The message creates a fictitious and unfair contrast between the value of general property and the value of railroads, by taking the assessed value of the former and an assumed value of the latter, and then adds that the rate paid on general property is three per cent while upon railroads it is less than one-quarter of one per cent. Without stopping to question the correctness of the figures as to the relative percentage of taxes paid on the

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basis of the valuation named, the basis itself, both as to general property and railroad property, is incorrect and misleading.

In the first place, it is believed that the assessed valuation of general property throughout the State for taxation is below one-half its actual value. Now, I can only speak for the county of Lapeer, where I live. For a great many years when the board of supervisors were assembled for the purpose of fixing a valuation on the county, a resolution was passed that the property of Lapeer county should be assessed at one-quarter of its valuation, and they proceeded in pursuance with that resolution, and the property was so assessed."

One of its citizens, John M. Wattles, refused to pay, saying the resolution was invalid and he did recover back what he had paid, and from that day until this I venture to say that any man may go and examine those rolls and you will never find on any roll of property in Lapeer county that it is assessed for more than one-third to one-half of its valuation, though they don't have a resolution. And what is true of Lapeer county I think will be true of all the counties of Michigan outside of Wayne. I think you will perceive the force of my argument that if that property is put in at a quarter, a third or half of its value, the rate of per cent will be greatly raised as the amount is reduced. That is not true of railroad companies' property. It is put upon a different basis. Mr. Meddaugh in this case has intended to be moderate in his language for the purpose of demonstrating the proposition.

"In the second place it is susceptible of demonstration that the actual value of the railroads of the State, taken together and measured by the only test of value for such property, viz.: the earnings realized—is not above one-half the sum of their bond debt and capital stock. The message shows the sum of bond debt and stock to have been the basis of value taken by the Governor. If it be assumed, contrary to the universal belief, that each railroad in the State cost the sum of its bond debt and stock, that would not be a safe criterion of its value. A farm may have cost $10,000, but it is only worth the sum that it will pay a reasonable interest on when rented or properly worked; and this is the correct test of the value of all property in use, including railroads.

Would it not be a wise thing, before saddling these already overburdened railroads with increased taxation, to find out definitely and certainly whether they are not now paying more than their equal share? I predict that a competent commission would develop and disclose a state of facts respecting this that would both enlighten and astonish the Governor himself."

I have no doubt but what he would like to be.

"Why should not such a commission be created to investigate and report with reference to the broad question of taxation? Other states whose people are as wise as those of Michigan have recently taken this step, notably Massachusetts and New York. The Legislature would in this way be put in possession of all the facts necessary to a correct and safe judgment as to what should be done, which I respectfully submit it does not now possess and cannot possibly secure within a brief term of an extra session.

The system of specific taxation is pronounced unjust when applied to only part of the property in the State and continued for any length of time. It probably is so whether long continued or not, I believe, but not so much to other taxpayers as to those paying the specific tax. Every

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railroad company in Michigan pays every dollar the law imposes. There is no way of escape for them. How is it with other property? The law requires that it shall be assessed at its cash value. It is notorious that this is not done. Furthermore, what proportion of other property in the State is assessed at all or pays any tax? A question that cannot be answered. But is there any intelligent man who believes that the proportion that escapes the payment of any tax is less than one-third of the total property? I affirm that, if all property outside of railroads were assessed at its true cash value and all property that escapes taxation were exposed and similarly assessed, it would be found that railroad companies are today paying a higher percentage on the actual value of their roads than others are paying on their property."

I commend this to the consideration of candid minds.

And I apprehend that it has occurred to every member of this Legislature, why this sudden conversion? Why should this rule be changed that has prevailed in this State for all these years? It is a little remarkable that some of the Governors who have presided in this State, and there have been some as able men as ever presided in any State—it is a little wonderful that it hadn't occurred to some other Legislature before now and here, that our system of taxation was wrong, that it ought to be changed. But it has not. It has stood and it is here. Many and many a good Governor has presided over this State. Many a body of honest men have presided in this House and in the Senate and they were never converted; it had never occurred to them that it was important that the system of taxation in this State should be changed. Why, I do not know. I have not seen in anything that has appeared in print why this change should be made. If the railroads are not paying enough it is an easy matter to reach it. Reach it on the line of the Merriman bill. The railroads of this State, when it was passed, thought that they were paying all they ought to pay, but that body thought different, that law was passed. It had never been tried, and why not give it a test? Why this sudden conversion? Why not take the law that has been passed and just gone into force and give it an opportunity to be tried, and see if it won't produce all the revenue we desire, before we seek to change it and try something that is new.

"It may be true that a system of specific taxation needs to be revised, increased or decreased, from time to time, as justice seems to require. But this is not a serious matter. The Legislature has repeatedly revised the system in this State since 1871, and always by increasing the percentage on gross earnings that railroad companies were required to pay.

Something is sought to be made out of a showing in the message that freight rates in Michigan are not so low as they are in Indiana, Ohio, etc. I do not know what the fact is. It may be apparently true, while not true in fact. An expert in railroad traffic matters alone can tell. But it is immaterial to the question in hand. The point is not one of relative rates to those maintained in other states, but of low rates per se. It can be truly affirmed that the people of Michigan are getting exceedingly low rates, and no one has yet had the hardihood to deny it. And that they are less favored in the matter of rates for all classes of products and commodities than the people of any other state with whom the people of

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Michigan have to compete, has not been charged, and cannot be truthfully.

The history of land grants in aid of railroads is given in detail, and it is stated that the companies receiving these grants agreed to pay a specific tax of one per cent on the cost of the roads and their equipment, etc., and that the State should be now receiving from these corporations $3,000,000 per annum. Why then is not the obligation enforced? It should be if it exists.

But it is not quite apparent what bearing such a contract obligation of a few land-grant roads has upon the question of the propriety of adding to the taxes of other roads."

Perhaps he may tell you just what this has to do with this question, with his division in relation to changing the taxation. If he can, accept it; if he cannot, act as jurors and do not give him a verdict.

"It may constitute something, but not much of a reason for imposing a further tax on the delinquent land-grant corporations. One would think, that the more expeditious and profitable course for the State to adopt, even as to them, would be a proceeding to collect the sum they had agreed to pay.

These land grants are pictured as of immense value, and this Legislature is asked to treble the taxes of all the railroads in the State because a few roads had the benefit of them. The logic of this is unique. Would it not be more in accord with proper procedure in a legislative body, before taking such action for such a reason, to learn definitely and certainly what was in fact the value of the land donated these roads? Furthermore, would it not be well for the Legislature to know what was the condition of the country through which these roads were built at the time of their construction, in respect to tributary traffic, and how many years the roads were operated on the proceeds of sales of the land thus donated, before the earnings of the roads yielded enough to pay operating expenses? Here is another field for the work of a tax commission. It is at least possible that the land-grant roads did not reap such a rich harvest in these donations as is indicated by the sweeping statements of the message."

In my judgment gentlemen, if there ever was a case that appeals to the consciences of honest men it is this. Give this an opportunity to be tried and see what its result will be, then if it is not sufficient, if it shall turn out that it is not by the time the next Legislature meets, it will be time and ample time to change it, but certainly give us an opportunity to try it.

Why has it not been enforced? It has been shown that after the passage of that act in 1857 the railroads refused to accept it; they were not willing to take it with the conditions upon it, and it was repealed. If there was any fault anywhere it did not lie with the railroad companies. They did not violate any contract, they did not violate any trust. They said 'No, you offer it but we refuse the offer, we don't enter into the contract. We might like the lands, but we won't take it to build this road.' "What did the Legislature do? They acted along the line that the good people did in Lapeer and Sanilac counties when they wanted a road. They said "If you cannot accept it at that price we will give you more, we will make greater concessions" and they did. And the Governor, whoever he may have been, and there were a series of Governors and they

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were honest men that assembled in the legislature, probably equal to those that are here today. Did they think they were doing something wrong when they said the people in that locality wanted a railroad? The government of the United States owned those lands and the State of Michigan simply and only a trustee for the government, they did not own the lands and when the road was built the State simply acted as the agent of the government. They certified that the roads had been completed according to contract and the property was turned over.

And in this message his Honor charges that governors and past legislatures and the railway companies that accepted under those terms as robbing the public. Is it so? not at all. There never was a better gift than that, than the government and the State of Michigan acting as its agent gave when it transferred to the several roads, and when they accepted the charter and proceeded to build it and to make the wilderness blossom and towns grow up and made places for the people to live. That is what they did. Charge them with doing something wrong? Why, we would have been mighty glad along our line to have land granted but we did not have it.

In other places where these roads were built there were no people living along the line to control it and it was the only way those parts of the State could have been built up. Honest people being there, there was no reason, at least that I am able to see, to charge those legislatures, or to charge the roads that accepted under them with dishonesty, and saying now that the system of taxation taxing every road in the State of Michigan and making them pay three millions of dollars that these people have got under the solemn promise of the Legislature and the Governor of Michigan for building those roads.

I tell you gentlemen, you should consider it carefully before you do what they ask you to do in this case. I do not want to accuse anybody of bad motives, I am not here for that purpose, but I want to say that people who live in glass houses ought not to throw stones.

I am sorry that the Governor of Michigan has thought it necessary in his proclamation calling you together to accuse these past Legislatures for 20 years, brought together as you have been brought together, with pilfering from the public. Now let us tax the railways of this State, tax them in a general way, let us get back three millions of dollars and start anew. O no, that won't do Governor, that won't do, Governor.

"It is urged that, because other States lying south and east of us impose on their roads a greater tax than is imposed on our roads, ours should pay more. Here, again, vastly more information than this Legislature possesses is required before it can be so determined. There are many elements of fact to be considered besides those embodied in this message. The message is partial, and totally fails to give the measure of information requisite to a judgment either for or against the adoption for the State of the system of taxation of other States."

Is there any question about it? Where is the man among you, what one of all the members that are here today have in any way investigated what it is in other States. Ah, is it right to accept what you find in a message, and that only? Is it right to act upon that and petitions that may be sent to you from people outside? While I come here and publicly confess my inability to fully understand this matter, I

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will venture to say it will average with the average man outside. I understand fifty or sixty thousand names have been sent up here—

Col. Atkinson:

Over eighty thousand.

Mr. Geer:

Eighty thousand. Great God! You might increase it to eight hundred thousand, but what has it got to do with it? Why, Colonel, you know as a lawyer, it is not such evidence as you and I would want to be deprived of our rights with. We would want a hearing. We would want proof. We would want to have an opportunity to stand up against such a claim.

Mr. Atkinson:

Would not we, if we had a bad case, want to refer to a commission?

Mr. Geer:

Ah, if I had a bad case, and I had you to look after it, I would feel perfectly safe. That is what you are standing here to do and are defending, and you are trying to force the judgment of these men when they ought to stop and consider. When they ought to get information, not take it absolutely from you, and I would take it from you as quick as any man—

Mr. Atkinson:

Now, Mr. Geer, what have I said to justify any such talk as that?

Mr. Geer:

You have asked me a question and if I have said anything wrong I will take it back.

Mr. Atkinson:

You have talked this matter over fully with me, and did you ever hear me say an extreme word on the subject?

Mr. Geer:

I cannot say that I have, only I do know, at least I am so informed, tell me and let me correct myself now and here, because I always like to do it. I acted upon the theory that as the Governor's representative you are the man that is claiming this bill is right—

Mr. Atkinson:

I have no doubt about it.

Mr. Geer:

And I am trying to discuss it.

Mr. Atkinson:

I drew this bill and I think it is right. If you would take up the bill instead of the Governor and give us a little light on the bill itself it would be better.

Mr. Geer:

Well, I cannot very well, they are so closely connected. If I could, it would give me the greatest pleasure, and if I only had a little time, but my time has been so devoted to another department. I wish I had a couple of weeks to investigate this question; it would then afford me great pleasure to stand before this Legislature.

Mr. Atkinson:

We cannot ask you to state what you do not know. You will know all about it after the session.

Mr. Geer:

Well, I am going to try to know a little about it now. Of course it is

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possible what you may say here may go, but I am simply making this argument upon the theory that you are here to get information, to learn what the facts are, and after the Legislature will have so learned them, to act accordingly.

Mr. Atkinson:

And I want to say here that I shall ask no member of this House to take my statement unless I prove it by sworn statements from your officers, and if they tell the truth there can be no question about the results.

Mr. Geer:

Yes, Colonel, there can be no question about the results then, not the slightest; it is only in the change of the scenery. The thing that I am complaining of is that you want a change. That might do if you wanted a change from a Republican to a Democratic party, but when we have got a good thing, you never want to swap horses crossing a stream and you don't want to swap off the present system of taxation unless you and those that favor this question show or believe some reason for it. If you can I expect they will accept it, otherwise not.

Mr. Atkinson:

That is right; I knew you would get around to it after a while.

Mr. Geer:

I am sorry to have said anything wrong, Colonel; if I have said anything wrong, I will apologize now, Colonel. I am only sorry I am not on the floor.

"When analyzed, it will be seen that the message, elaborate as it is, totally fails to supply any reason for adding to the taxes of the railroads beyond the assumed fact that they are not now paying their just proportion; and I have attempted in the foregoing pages to show that this is not true in fact. I have tried to make plain the grounds of my conclusion.

I have tried to make plain the grounds of my conclusion. The time was, and I want to challenge your attention to this—the time was in this State when the people were so anxious to secure railroads that they were authorized by legislative act to aid in their construction by issuing bonds to be paid by taxation, and such bonds were voted and issued in many instances. This was the spirit that pervaded the people in those days, when the old Port Huron and Northwestern was built, the people could not contribute enough to build it, so they voted that, and in the celebrated Salem case the supreme court of this State was compelled to wipe out the will of the people, saying that notwithstanding you want to contribute by taxation for the purpose of building these roads, you cannot do it; and they didn't do it; but they struggled on without it. Supposing this bill had been presented in those days to the people? What do you think they would have said about it? This was the spirit that pervaded the people in those days. The land grants, in aid of railroad construction, which the message of the Governor characterizes as "plunder and spoliation" were then made by the people's representatives in obedience to the wish of the people.

I ask you to go back and see what men acted as the Governors of this commonwealth. Look over the records and see the class of men that were here performing the duties that you men are performing today, and see whether they are the subject of such criticism as that, or ought to be subjected to it.

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Railways were wanted for development of the State, and their great and general public value was fully appreciated. Times have changed since then. Is there anything wrong in saying it? Not at all. Why is it changed? Tell me what has transpired? What have the railroads of this State done that they should be treated differently from what they were in those days? They spent their money, they built their roads, beautiful villages have grown up along its lines, and we are a part of the State; and I think, gentlemen, you ought to let them proceed a little while longer. I certainly have not seen any reason why there should be any change. I would not wipe them out; I would not deprive the boys along the line of earning a dollar or a dollar and ten cents a day, for that is all we can pay them.

If the spirit of the Governor's message had prevailed with the people of Michigan in that period of railroad construction, many if not most of the roads now existing would not have been built.

Neither the chief executives of the State nor the members of the legislatures during that period were less intelligent, less honest or less devoted to the true interests of the people than their present successors in office. What they did, which is now complained of, in the then conditions, wisely and well done (mark, wisely and well done), and if it was not that determination, these farmers whom the Governor and the rest of them help—because I am one of them—would have much more to pay than they do now. If it was not that, then what is it, to the different localities?

We come back to the main and real question before this body, viz.: The railroads built under their policy have developed and carried industries into sections of the State that were then barren of human activity of any kind, and thereby have added many millions to the taxable property of the State.

Is it just and right to impose upon the railroads additional taxation in view of the great and almost inestimable benefits they are daily conferring on the people of this State in the low rates they charge, and also in view of the inadequacy of their earnings to pay a reasonable return on the capital invested in their construction and equipment? The Railroad Commissioner's report afforded the needed information for an intelligent answer.

And I have only known of one way by which they seek to get rid of it, and here it follows: To the insinuation made in some quarters, that the sworn returns of railway companies, embodied in these reports, are untrue, which means that the officers verifying them are wilful and deliberate perjurers; I have nothing to say. If anyone believes the insinuation, he will not credit the figures. I only ask those who do not believe it to examine the reports for themselves."

Now there is one other thing to which I desire to call your attention, and then I am through. Now I can only speak for the Detroit, Grand Haven & Milwaukee R. R., and the Chicago & Grand Trunk, the only two corporations that belong to the Grand Trunk and operating in this State.

The T. S. & M. did not begin to pay. We would like to run it once a week, but under the laws, we are compelled to run it, so we do. The C. S. & M. is another road, the same is true of the Air Line.

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Now the Commissioner's reports show the total earnings on the D. G. H. & M. in 1895, and I have taken that for the same reason that our honored Governor selected it, and I want to be fair in that: Total earnings, $1,013,320.62, operating expenses $931,172.27, leaving a surplus of $82,148.35. The interest on its bonded debt for that year was $324,500, to be paid with $82,148.35. This was also prepared by Mr. Meddaugh. The company, in other words, fell short of earning the interest on its bonded debt over operating expenses, by the sum of $242,351.65. Can it pay more taxes? Can it pay more? Why, gentlemen, look here, supposing you hold a bond—it is held by many people, and this road is managed as economically as we can possibly manage it—yet to pay an interest upon our debt of $324,500, we have over and above operating expenses $82,148.35, or the bond holders in 1895 would be entitled from this company $324,500, or $242,351.65 more than the balance.

This road, is it not paying a sufficient amount of taxes? Can it be true, can an honest man vote for a bill that would increase it under those circumstances?

One other, as to the other roads and I have ended.

Mr. Atkinson:

Now, Mr. Geer, with reference to your own road, would you mind answering a question?

Mr. Geer:

I said to you, Colonel, at the outset, so far as these things are concerned I should have to refer entirely to Mr. Meddaugh who had them prepared, and through me they are read. Upon generalities I will answer for myself, upon facts. I do not think Mr. Meddaugh intended to make a statement that is not true; that is to say, I will leave it here and you can investigate.

Mr. Atkinson:

I thought perhaps you would rather explain it.

Mr. Geer:

I would, but they have kept me mighty busy in other parts of the State. Since September I have been looking after the fellow who lost hand and leg and trying to keep that down as low as I could.

Mr. Atkinson:

You ought to settle those claims as fast as you can.

Mr. Geer:

I have as fast as I can, but spines come mighty high and there is no man knows better than I do, when I am engaged in that all the while. Seventy of these cases, managed as well as they can be, are today pending in Chicago alone. What does it amount to? Talk about assessing railroad property the same as you would assess the property on a farm. I have lived on a farm all my life and I never knew of an injury that occurred on a farm, that put one under such an obligation. These are things that occur and ought to be considered. This is a pretty perilous business that we are carrying on. If we had millions of money so that we could obviate the grades and perils so that people would never get injured, we could pay more taxes; but it is there, as a part of the business—we operate it. I never saw a man yet that was satisfied with a fast train—they like to go a little faster. You want the service—the people want it and the people ought to permit us to live. They claim we are not paying what is right. Give us an opportunity to be

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heard, and if we do not demonstrate it, raise us, but do not without hearing us.

Mr. Atkinson.

I may say we are hearing you.

Mr. Geer:

I know you do when you hear it, but it may slip.

The total earnings—look at that book and see if I am right—let us have the thing correct as we go along—it was furnished to me as being correct, and I do not want to claim it as correct if it is not so. The total earnings of the Chicago & Grand Trunk Company for 1895 were $3,005,458.04; operating expenses $2,837,685.38; balance $167,772.68. The interest upon the bonded debt for that year from that road was $660,000. Taking the earnings of the company from it and they were short $492,227.32, and yet they want us to pay more taxes.

Mr. Atkinson:

According to your own report this company already now owns that road—bought it for one million dollars—the old debt was wiped out. That is carrying the old debt as though it still existed.

Mr. Geer:

I did not keep that book. You may be right. Of course if I had time to investigate—I think this is taken from the report. If the bookkeeper is wrong it ought to be corrected. I know that road, notwithstanding it was built by subscription, went into the hands of a receiver, and my old friend Bancroft was the receiver and with all the economy possible it was finally sold.

Mr. Atkinson:

The present company did not pay for it—those people paid for that road along that line. But whatever debt was wiped out on the mortgage, the same as a farm out here, you are not to blame for the debt. Why should your company have to pay interest on that? Why should you pay interest on an old debt that was wiped out by a foreclosure?

Mr. Geer:

I don't know that they were. In my judgment the books are right and I do not believe they swore to anything wrong. It is what the record discloses.

Mr. Atkinson:

They do not swear to what you are giving us, and their sworn statements may be entirely different.

Mr. Geer:

There is this about it, it is a little wonderful that if this has been going on all these years, it had not been discovered before, and some action taken upon it? Now, I don't know, it strikes me even as to the land grants—

Mr. Atkinson:

I think it ought to have been done sooner.

Mr. Geer:

Perhaps so, when the people knew what the facts were, not after the statute of limitations runs four or five times. It is pretty bad to go back and correct the doings of another body; there is such a thing as res adjudicata even in bodies of this kind, and I would rather take for my standpoint, and believe that the people that had all these facts before them

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at each and every one of the sessions when they passed upon these subjects were right, than to go back after these number of years that have intervened.

Mr. Atkinson:

Let me ask you: Do you mean to say that if for 20 years you have been allowed to go without paying taxes, that is any reason why you should go another year?

Mr. Geer:

No, sir.

Mr. Atkinson:

I want to understand you. You are criticising us pretty freely.

Mr. Geer:

No, sir; I am not criticising you, I am criticising your bill and seeing what is in it.

Mr. Atkinson:

Let us assume that for 25 years you have escaped taxation, is that any reason why we should let you go any more?

Mr. Geer:

Not at all. If you assume a wrong premise, you will reach a wrong result. The theory of the railroad company is, and the question has been up before the Legislature as long as I can remember, where it has been held the railroad companies were not paying enough. It has been submitted to jury after jury and verdict after verdict has been taken against you, and yet you want to reiterate and say that this is the first time that anybody has reached down.

Mr. Atkinson:

If that is so, isn't the question pretty well understood in Michigan?

Mr. Geer:

What part?

Mr. Atkinson:

If it has been submitted to every Legislature and argued out.

Mr. Geer:

Yes, sir; but this is a new departure, it is something new; we have only known about that since the 22d of March, that was the first time we ever heard about that. Of course we have heard what the Governor has said time and again, but we take that for the purpose for which it was published, not for the purpose of acting upon it.

Mr. Atkinson:

Before you leave us, I would like to suggest this to you, I don't know whether you have examined the question or not—

Mr. Geer:

I haven't. I will look it up for you, if you will give me time, give us another hearing.

Mr. Atkinson:

I understand your tactics; they are very skilful. But do you mean to palm off on this committee the Detroit and Milwaukee road as a road that did not get a land grant?

Mr. Geer:

Well, perhaps years ago it got some.

Mr. Atkinson:

Do you mean to palm off the road from Flint to Port Huron as a road that did not get a land grant?

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Mr. Geer:

They didn't get a dollar.

Mr. Atkinson:

In looking at the laws of 1857 you will find a description of the land grant that was given; the Governor gives the page in his message.

I would like to ask you this as a public spirited citizen, if you have known a general session of the Legislature where the question received as full a discussion as it has at this special session.

Mr. Geer:

As I am informed—I didn't come out until last night—as I understand it may have had some discussion in this House, but on the other side, the Senate, it has not been heard yet.

Mr. Atkinson:

The Senate is all with us—I mean in their presence.

Mr. Geer:

I was afraid they might call me a lobbyist, so I stayed away.

Mr. Atkinson:

Did you ever know twenty days to be given in a general session to the subject of railroad taxation.

Mr. Geer:

No, I never did.

Mr. Atkinson:

You spoke of the low wages that are paid by the Grand Trunk. You have read Mr. Meddaugh's paper to us. Will you tell us now what his salary is?

Mr. Geer:

No, for it hasn't anything to do with this. In fact I don't know, only by hearsay.

Mr. Atkinson:

By hearsay then, we will take it that way.

Mr. Geer:

Perhaps he might not want me to state that. It will not interfere with your prices, Colonel, I will assure you of that.

Mr. Atkinson:

Is there anyone here to speak for the people of the State? I would like if possible if there are any public spirited citizens, if there is anybody who represents the great masses of the taxpayers, outside the railroad companies, to hear from them. It seems to me it would be well for this committee to hear somebody; if there is anyone here, the committee would be glad to hear from them.

The committee would be glad to hear Mr. Burt, no matter which side he represents. Will you say something to the committee, Mr. Burt.

Mr. Burt:

Gentlemen of the Committee—It is pretty late but I want to say to you, in a very few moments, that I am not here to make an argument—but there are some things that have passed through my mind as I have sat here and heard the arguments. My mind went back to the first discussion I think that was ever had in the State of Michigan on the railroad question, and that was when they said "Hush! You vote this way!" And the whole people were anxious that they should vote in accord with one man's idea, and the people did it, and that was on the occasion, that one of the men said, "We don't want an I dotted nor a T crossed in this bill if it has to

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pass!" and they dare not do it—that was for the state to get rid of the Michigan Central which now is the great bugaboo in this State. The State owned it. I was present at that time, young as I was, and the people had a railroad and they wanted to get rid of it and they did. I have attended every discussion of the railroad question from that time up to now. I have been interested on both sides and now here today, let me say that all of the times that I have attended here before the committees, and in the Senate, I never have heard, nor never have seen a time when any man ever broached the subject of changing the manner of taxation here with any prospect of repealing it or changing the mode of taxation. They did come up here from Detroit at one time and they went back without ever converting a man, and I must say here today that I am surprised, and I came out here to see what information the people had got that they wanted to change the mode of taxation. I do not understand that this special session is called here to raise the tax, or to lower it, because the man don't live today, as wise a man as the Governor and his adviser, that can tell what will come out of the bill if you ever get an honest commission. If you intend to pack it, which I do not believe you do, I say then you may raise the tax, I don't know. But I want to say to you here, for the road that I represent, if you want to try the experiment, if you want to take the step backward, into the dark—if the State of Michigan does, and go from a system that is admitted by everyone as being as good as there is in the United States, if you want to take the step back, I say to you the road that I am interested in will accept it, with this condition, that you let the taxes be assessed and let them be collected exactly through the same machinery that is enforced today, that equal taxation is what you want, and if the railroads are not paying taxes enough today I as a Michigan man, say, let them pay it; they should pay it, and if in the judgment of this Legislature here they should say that they wanted to change the system that has been in vogue all these years, I say change it; you have got all the machinery that is necessary. You have got the supervisor, you have got the treasurers, there is no use of putting any more politics into it, Governor, any more politics! We have got places enough, God knows we have got enough to support now. Put it into the same line and we will accept it, and pay it, as much as I should dislike to see it, to the State of Michigan. I think it would be a step backward and it would be regretted. But when I come to say, that the railroad I represent of three hundred miles running from Toledo across the State, that the poor road has been through bankruptcy, we never made any money, and had nothing to do with, and you should tax it, they should pay their proportion, but when you say that you want to change it, and I am now coming to the point that I want to reach,—I heard a man that stands before me here now, say today, that he would accept it, he would not want to change it if it was not for the concealments and the false reports that the railroad would make. I say that man who stands before me now, made that remark, and charged it upon the men who were handling these properties that they are criminals that they swear falsely, and then worse than all that this Legislature and the men who are here in office have not got the strength to go to work and find it out and put them into the State prison where they belong.

That is the only argument that I heard here that the railroad companies made false reports to you. Let me say to you I overheard one man

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say, "Look at that Ann Arbor road." Well, my ears were open and I said there is so much there, the earnings are so much. He said, "How do you know about that?" He said so and so told it, and it is talked about, and it is false. Gentlemen, here is $10,000, and you may put on all the experts you are a mind to to show it, to show that that book is false, and those books are no truer than the other railroads of this State. It is a slander, it is beneath the man or any man to stand up here and make such a charge as that. Now, let me say to you about the Ann Arbor road, he did not take into consideration the whole money that came in there. Here was a line of boats running across that 150 miles that was not a part of the earnings in the State of Michigan. And the only excuse that any man here has been able to give that he wanted to change the system was, that it was simply that they falsified their books. Have you got any man with stamina enough? You can prescribe the very blanks and the very questions, and you can go to their books and you can take the best experts you can from New York or anywhere else and put them onto it, and then come down here and say they are falsifiers, and peddle it in a quiet way around among the members. I say that is beneath a man that will utter such language as that, when they never have made the effort to prove it. This suspicion seems to be evidence with some of these men to report out to men that have never given it any study.

Now, one word in regard to another matter. They say here are your stocks and bonds and all that. Do you know how these stocks and bonds came to be there? Let me tell you in a very few words. In the first place they have got these roads and they were built in a light way, when the traffic was light, and they put out stock and some bonds, with steel at $75 to $90 a ton, and in a few years the traffic increased and this was not good for anything. The iron was discarded for steel that was $125 a ton. Everything that this money had gone into was thrown away, and that went into stock. Then came all the equipments and the cars, and they had to be rebuilt, from twenty to sixty thousand pounds, and that is the way that a large proportion of these stocks and bonds went. And as I heard one man say here today, "Oh," he says, "that is what they should be taxed on, it is taxed on their earning power." And their earning power, he says, "was their bonds," and their preferred and their common stock. Now, my good sirs, that man was real bright. That three-quarters, yes, nine-tenths of all the stock in the State of Michigan never paid one cent of dividend in the world.

All the stock has got right down to the bounds, and they can't pay. I have just been through it as receiver, and I know. We had to switch out part of our stock and wiped out between six and seven hundred thousand dollars of bonds. We had got to do something, and we cut out some of the stock; that is about as good as anything we could do, and reduced it down from 6 to 4. That is where that stock comes from. We are not here pleading poverty. We are here to stand on our rights. The railroads are here, and they are going to stay here. They have got rights, and I want to tell you that when any man springs up and tells you the system of taxation is all wrong, you are like the man who was being tried for a crime, and the attorney made such a wonderful plea that he remarked that he never knew he was so abused until he heard the attorney talk about it, then he knew how he was abused. Until these men

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got hold of you, you did not know how badly you were abused,—I am speaking now of the State of Michigan. You have got railroads today and you can tax them what you are a mind to. I am not here to tell you that they are taxed too little or too much, but you have got it absolutely in your power; but don't you take any of that twaddle until you find out whether they are making reports here from facts or not. Don't take their twaddle, whether it comes from Moses or anyone else, it don't make any difference. I will say to you that the Ann Arbor road will, if you make up your mind that it is taxed too little, will accept your terms, and it will not make bitter feelings. We want to accept it, but we don't want any commission, we don't want any more taxes to pay. Now let us get right down to business. Let this go until the law last passed has been tried. It appears there was a great dissatisfaction arose all at once. I didn't know but there had been something dropped out and something had got to smelling bad. It didn't strike us so bad at Saginaw, but I don't believe there is a very great deal of trouble yet.

I believe that you have got the very best tax law that you can get in this State on the railroad question, and you better examine this question and report to the next Legislature.

We just settled this question of taxation. We made our arguments to and fro and tried the case, and you gentlemen who are here decided it, and I ask you as attorneys if you are not barred from coming in here. You have put us is jeopardy once and you cannot try us again; and you have no right to on this question of taxation. You have a right, perhaps, to say that it is necessary to call this extraordinary session and make a great hullabaloo for the sake of changing the system of taxing the railroad companies or for what? Well you can judge.

As I stated before, I have an interest in it not only as a railroad man, but I have a large interest all through the State. I never came into this building when a word was said about changing the system, but what they said "No, we will not change the system, it is as good as we can get." Well, now, when it bobs up in this way we think there is something wrong somewhere and we have been casting around to see what it was, and it has come right down to this one thing, that bad men are managing these properties, and are criminals and should be in State prison. That is what they say. Now, gentlemen, I thank you for your attention.

Senator Thompson:

Mr. Chairman, I move that this joint committee do now adjourn.

Motion supported.

Mr. Atkinson:

Before the motion is put I desire to ask the Committee on the Revision of the Statutes to meet at 7:30 o'clock in the committee room.

Mr. Foote:

Notice was given that the Railroad Committee would meet immediately after the adjournment of this hearing. I ask that that committee meet at 8 o'clock.

Mr. Gustin:

The Committee on General Taxation will meet at 8 o'clock.

Mr. Atkinson:

Then, gentlemen, you understand that the three committees on the Revision of the Statutes, on Taxation and on Railroads will meet at 7:30 and 8 o'clock this evening.

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HOUSE OF REPRESENTATIVES,
Lansing, April 13, 1898.

I hereby certify that the foregoing journal of the proceedings of the House of Representatives of the Legislature of Michigan, for the extraordinary session of 1898, is a correct journal thereof.

And I further certify that the foregoing supplement thereto is a correct copy of the proceedings of the committee on the Revision of the Statutes, ordered taken by the House stenographers and printed in connection with the Journal of the House.

LEWIS M. MILLER,
Clerk of the House of Representatives.

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1. A bill to provide for the assessment and levy of taxes upon the property of railroad companies, express companies, telegraph companies, and telephone companies:
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reported substitute, entitled "A bill to provide for the assessment and levy of taxes upon the property of railroad companies, express companies, telegraph companies and telephone companies and the collection thereof, and the appointment of a State board of assessors to make such assessments and levy, the defining the duties of such board, and the compensation of its members, and to repeal Sec. 33 of act No. 42 of the laws of 1846 as amended by act No. 179 of the laws of 1893, and Sec. 31 of act No. 113 of the laws of 1846 and the amendments thereto, and all other acts or parts of acts whether contained in special acts under which any of the companies whose property is to be assessed under this act shall have been incorporated

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or under the general railroad law and the amendments thereto, or in the act for the incorporation of union railroad stations and depot grounds, or in any other law of this State so far as such acts or parts of acts are inconsistent with this act and no further;" general order, Mar. 30 123
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4. A bill to repeal act No. 42 of the legislature of Michigan, passed at the annual session of 1846, entitled "An act to authorize the sale of the Central Railroad and to incorporate the Michigan Central Railroad Company," approved March 28, 1846, and to designate a board to adjust any claim for damages on account of said repeal, and to authorize the incorporation of said railroad company under the general railroads laws of this State, for the purpose of subjecting said railroad company to the general railroad taxation laws of this State, and all other general laws:
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8. A bill to provide for the local taxation of telephone companies:
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9. A bill for the local taxation of telegraph companies:
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10. A bill creating a commission to investigate the general subject of taxation in the State of Michigan and other states, to investigate more particularly the present tax laws in this State pertaining to railroad, express, telegraph and telephone companies and report their findings to the legislature at the next regular session in the month of January, 1899:
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